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THE
SOUTHWESTERN SOCIAL SCIENCE
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No. 1

The Direction of Accounting Theory

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"Accounting theory" is generally understood to be that "consistent body of doctrine" which serves the profession of accountancy as a "guide to action" or as a "basis of conduct or practice" in the fulfillment of the accounting function. This body of doctrine is evolutionary in nature, growing, changing, and undoubtedly improving through discovery and elimination of false premises and erroneous conclusions. This growth has not been constant, unceasing, and ever-present. The history of accounting theory bears out the statement of Lewis A. Carman that "Accounting thought has lain dormant for generations at a time, arousing itself sluggishly for self-improvement only after it has been kicked awake."¹ It appears equally true that accountancy has been shaped almost entirely by outward circumstances. Every depression, panic, great economic or social change has left its stamp on accountancy.

"Accounting" as the term is now understood was born of the revival of trade accompanying the Renaissance; it was nurtured for some years by an expanding commerce; it was consigned for generations to a state of dormancy through wrongly placed emphasis on the techniques of double-entry, and by poor pedagogy, instruction by "rule" and not by "reason." Some new life was

¹ Carman, Lewis A., "Primary Accounting Concepts," *The Journal of Accountancy*, May, 1936.

injected into "theory" by the Industrial Revolution, but not the advance that might have been expected in view of the mighty strides taken by the business enterprise. Not until the nineteenth century did theory really get around to analyzing the cost of a product into its constituent parts. The next, and probably the greatest advance made between the development of double-entry bookkeeping in fourteenth century Italy and the end of the nineteenth century, was the fourfold contribution to accounting theory by the rise and growth of the corporation; viz., limited liability brought the necessity for a careful determination of distributable assets; permanence of existence as a business unit brought the economic necessity for maintenance of capital which entailed the making of a careful distinction between capital and income; larger scale business made possible by the corporate form of organization brought larger investments in fixed assets and made the problem of depreciation a more serious and insistent one; and, the separation of ownership and management brought the need for reports of accountability, resulting in periodic, separate financial statements. It is the corporation which still shapes most of our thinking in accountancy.

In the first three decades of the twentieth century great advances were made in cost accounting. Financial budgeting was a notable accomplishment of this period. But as for financial accounting theory, only the most meager advances can be claimed for the first third of the present century. Some notable works were forthcoming, but none had the authority needed to secure general acceptance.

Then came the awakening. The past ten years have seen great strides taken by accounting theory. An aroused social consciousness has brought a new peak in regulation by government. New bureaus and commissions have been created and greater authority has been vested in older regulatory commissions. These governmental agencies have aided in standardizing practice and in securing a more general application of accepted theory even to the point of making their use mandatory in some instances. The Securities and Exchange Commission demanded "full disclosure" and began to "cite deficiencies." These deficiencies were not all for violation of "accepted principles of accounting," many were for violations of explicit requirements of the Commission as to form and

content of financial statements and of the Commission's rules governing certification by public accountants. Nevertheless, the attention of the Commission and of accountants everywhere was directed toward "accepted accounting principles" which were so commonly referred to in auditor's certificates, and which the Commission hoped would be controlling in the preparation of financial statements.

But what are "accepted accounting principles"? The question was asked over and again. In the early years of the SEC, Mr. Carman G. Blough wrote: "In the SEC we feel a great need for a more generally recognized body of accounting principles . . . Indeed an examination of hundreds of statements filed with our commission almost leads one to the conclusion that aside from the simple rules of double entry bookkeeping, there are very few principles of accounting upon which the accountants of this country are in agreement."² This need for some authoritative statement of principles became apparent and the search was on. National associations, the American Institute of Accountants and the American Accounting Association, organized research for the special purpose of formulating statements of accepted principles and procedures.³

The limited time available for this paper permits only the briefest view of some of the more important instruments in the formulation of a statement of accounting principles. One of the first, "A Tentative Statement of Accounting Principles Affecting Corporate Reports,"⁴ was published by the American Accounting Association in June, 1936. The purpose of this statement as avowed by the author-committee was "to set forth some of the bases upon which accounting statements rest; it (the committee) has not tried to establish postulates of all accounting theory and procedure." The Tentative Statement contained a brief, concise enumeration of very general principles relative to (1) costs and values; (2) measurement of income; and (3) capital and surplus. Interspersed with the "general principles" attention was given to

² Blough, Carman G., "Accountants' Certificates," *The Journal of Accountancy*, February, 1938.

³ This was not the first foray by either of these organizations into the field of research, but the time was ripe for accomplishment. Time does not permit an enumeration of other and earlier work by these two organizations.

⁴ *Accounting Review*, June, 1936.

certain specific applications (e.g., the treatment of bond discount on the balance sheet), and the items singled out for special mention were almost without exception matters on which considerable differences of opinion as to treatment were prevalent. This was a courageous effort on the part of the Committee, but it was met with a storm of criticism. Even the existence of "accounting principles" was debated and more often than not denied. Nevertheless, no publication of the past ten years provided the stimulus to accounting thought or brought about such active searches for the fundamentals in accounting as did the Tentative Statement.

Since this statement of accounting principles was avowedly tentative, the Committee issued a more final statement of its work in June, 1941. After reviewing the criticisms (and these were requested on the issuance of the Tentative Statement) the American Accounting Associations' Executive Committee published its "Accounting Principles Underlying Corporate Financial Statements."⁵ This statement added a new section on "Revenue," and improved the clarity of statement of the three sections retained from the Tentative Statement, and generally made the more fundamental propositions clear cut.

This statement from the American Accounting Association received even wider circulation than did its predecessor. A reprint was supplied to every member of the American Institute and practitioners studied it with considerable interest and respect.⁶ Mr. William W. Werntz, Chief Accountant of the SEC writes: "This statement . . . represents a consistent and clear expression of accounting fundamentals."⁷ Some exceptions of course have been taken to parts of the statement. It appears, however, that the AAA's Statement of Principles ranks almost as high as do the Research Bulletins of the AIA (subsequently discussed briefly) in shaping current theory.

⁵ See *Accounting Review*, June, 1941.

⁶ This conclusion is made largely as the result of conversations with various Texas practitioners. One prominent Texas accountant told the writer that he had on several occasions referred to the statement of the American Accounting Association as authority for his position on certain accounting problems and that on at least one occasion he had held the statement up as authority for his conclusions in a brief filed with the Securities and Exchange Commission.

⁷ Werntz, William W., "Progress in accounting," *Journal of Accountancy*, October, 1941, p. 315.

A second important instrument in the search of "accepted principles" of accounting was "A Statement of Accounting Principles" by Sanders, Hatfield, and Moore published in 1938 under the auspices of the Haskins and Sells Foundation. This committee began work in the summer of 1935 and by means of personal interviews, by reviewing "accounting literature of the present and past," by giving "necessary consideration to the statutes and decisions referring to accounting" and "by an examination of current corporation reports and the attached certificates of auditors" current practices in accounting were ascertained.⁸ A study of this work reveals that much of practice is undoubtedly sound, but that certainly much difference of opinion exists, and that perhaps accountants collectively are not fully aware of those more fundamental truths which should shape accounting practices and conventions, but are wholly engrossed in procedures which are not always applied because they are right in the particular case but because they are *conventional*. These conventional procedures were developed in answer to everyday specific problems but no real criteria for the testing of results of the application of such procedures under varying circumstances had been developed in practice.

The third of the more important of the lately published statements on accounting theory was that of Paton and Littleton, "An Introduction to Corporate Accounting Standards"⁹ appearing in 1940. This work attempted to develop a philosophical approach to accounting by casting aside much of the orthodox and starting anew. The work of the business enterprise was analyzed. A general economic view of its services and activities was set forth. Certain primary concepts as "Business Entity," "Continuity of Activity," "Measured Consideration," "Cost Attach," "Effort and Accomplishment," were defined and explained. Then followed a rather well developed though very abstract discussion of cost, revenue, income, and surplus in which treatment an attempt at building a logical pattern on the basis of the foregoing concepts was made.

⁸ See the Letter of Transmittal, *A Statement of Accounting Principles*, American Institute of Accountants, publisher.

⁹ Paton, W. A., and Littleton, A. C., *An Introduction to Corporate Accounting Standards*, American Accounting Association, 1940.

Largely this effort of Professors Paton and Littleton has been met with silence or with a comment somewhat like that of E. B. Wilcox, who said, "I regret to say that I do not feel much better acquainted with those standards than I did before I was introduced to them."¹⁰ Little published comment on the monograph has appeared in accounting literature. It seems that the reaction of the practitioner to this work (the writer has had only limited opportunity to secure opinions from practicing accountants and consequently this conclusion may not be generally true) where he has read it is one of impatience. He feels that the terminology is not strictly that of accounting; that the work is a studied effort to be "high brow"; and that no practical standards are presented. This does not appear to be a fair appraisal of the work. It seems to the writer that the explanation of the function of the business enterprise and the setting out of the basic concepts to serve as a foundation for the formulation of accounting standards were marked contributions to accounting thought.

A fourth instrument in the formulation of a statement of accounting theory is the series of Accounting Research Bulletins issued by the Committee on Accounting Procedure of the American Institute of Accountants. This committee viewed its task as one of tackling specific "propositions which are critical and moot, to reexamine conventional practice, and to dispose of those problems first, reserving for more deliberate reappraisal the basic philosophy of accounting."¹¹ The results of this committee's work is evidenced by the fourteen bulletins issued to date:

1. General Introduction and Rules Formerly Adopted
2. Unamortized Discount and Redemption Premium on Bonds Refunded
3. Quasi-Reorganization or Corporate Readjustment
4. Foreign Operations and Foreign Exchange
5. Depreciation on Appreciation
6. Comparative Statements
7. Reports of Committee on Terminology
8. Combined Statement of Income and Earned Surplus

¹⁰ "Comments on 'An Introduction to Corporate Accounting Standards,'" *The Accounting Review*, March, 1941.

¹¹ Stempf, Victor H., 'Accounting Standards,' *The Journal of Accountancy*, January, 1942.

9. Report of Committee on Terminology
10. Real and Personal Taxes
11. Corporate Accounting for Ordinary Stock Dividends
12. Report of Committee on Terminology
13. Accounting for Special Reserves Arising Out of the War
14. Accounting for United States Treasury Notes

Any one of these bulletins could with profit be used for discussion but here, they must be viewed only in an effort to detect the direction or trend in accounting thought.

Bulletins 1, 4, 7, 9, 12, 13, and 14 must be passed over hurriedly, as they deal largely with special problems of an unusual nature (e.g., Foreign Operations and Foreign Exchange) and with definitions of certain items of terminology. Before passing, however, one cannot but regret, in view of the excellence of the rest of this work, that Bulletin No. 9 only succeeded in further undermining confidence in the balance sheet. Is that statement only a technical summary of debits and credits? And shouldn't accounting theory define an asset as something more "than a debit balance . . . according to the rules or principles of accounting?"¹² The definition appears to be of little use to the accountant in determining what should be admitted to the asset side of the balance sheet.

"Unamortized Discount and Redemption Premium on Bonds Payable" is an excellent theoretical analysis of the proper disposition of a cost. The "income" rather than the "valuation" approach to the question is utilized in this discussion. The committee recognized that "there is a definite trend of opinion towards procedures which emphasize the income account rather than the balance sheet."¹³ It then concluded that "either immediate writing off or amortization over the term of the old issue must today be regarded as acceptable,"¹⁴ but that the latter method is superior from a theoretical standpoint, as the current trend is "towards procedures which emphasize the income account rather than the balance sheet and which bring costs into the income account of some year or years under the appropriate head rather than directly into surplus."¹⁵

¹² *Accounting Research Bulletin*, No. 9, p. 70.

¹³ *Accounting Research Bulletin*, No. 2, p. 20.

¹⁴ *Idem.*

¹⁵ *Idem.*

Bulletin No. 3 on Quasi-Reorganizations amplified a previous rule adopted by the Institute and gave official recognition to procedures already pretty well established in accounting theory and practice. It emphasized, however, the consciousness of the profession of its responsibility in a matter which too long had been shrugged off as being a matter for officers and directors to decide. This largely was due, no doubt, to the feeling so long prevalent that a correct balance sheet was purely a matter of the correct valuation of the assets and the careful inclusion of all the liabilities.

The bulletin concerning "Depreciation on Appreciation" (No. 5) adopted the strict cost view as preferable in accounting for fixed asset (a view of rather long standing in accountancy) but, recognizing that some appraisals are going to be recorded in the accounts, laid down the principle that such appraised value figures should be the basis for the depreciation charge to profit and loss. Furthermore, it was concluded, this result must not be nullified by a credit to profit and loss for realized appreciation.

Bulletin No. 6 commended the use of comparative statements in annual reports. No. 8 reported on the trend toward the use of the combined statement of income and earned surplus (19 per cent of the 500 published reports studied for the year 1939 used this combined statement). It appears that the American Institute Committee is not ready to agree with the principle set forth by the American Accounting Association which stated that substantial corrections of the profits of past years should be reported in a special section of the income statement of that period in which these adjustments are made. Rather, the AIA appears to lean towards the use of the combined income and surplus statement, by which at least part of the objections of the Association to charging corrections directly against surplus are overcome.

Generally, it may be concluded, the efforts of the American Institute's Committee on Accounting Procedures are directed toward the solution of special problems and not towards the development of a rather complete statement of general principles which would serve as a guide in solving such practical problems. Some differences of opinion are expressed in the Bulletins with those promulgated by the American Accounting Association, but most of these are not in regard to the more fundamental proposi-

tions relative to the function of accounting.

It may appear at first that one must include the Releases of the Securities and Exchange Commission as one of the foremost of the current instruments in the formulation of accounting theory. A study of these releases does not lead the writer to such a conclusion. True, the SEC has been most powerful in securing a more general compliance with accepted principles and in stirring accountancy from its lethargy, but it has not attempted to create for accountancy but only to enforce its doctrine of "full disclosure." It has adopted certain principles having authoritative but not unanimous support of accountants and has given them force by making their use mandatory in the preparation of statements for the Commission. A single example out of the many which might be selected may be cited as illustrative of the place of the SEC in the development of accounting theory. Within the year of the promulgation of accountancy's "doctrine of estoppel"¹⁶ in Research Bulletin No. 5, the SEC cited ten deficiencies on the grounds of the violation of this principle.¹⁷ Such a force should be a great factor in bringing about general acceptance of the more authoritative conclusions on theory promulgated by the American Institute and by the American Accounting Association.

An analysis of these publications on accounting theory leads one to the following conclusions as to the trend of accounting thought:

1. The purpose of accounting has been greatly broadened to serve not only the needs of management but to serve equally well the needs of the investors and the public. This particular development has been so thoroughly emphasized in recent literature as to warrant no special attention here. That interest in the affairs of the corporation is general and not restricted and that this interest is recognized and catered to by American corporate officials is attested to by Selvedge and Lee as follows:

"So important can the annual report be as a factor in building understanding and goodwill that the utmost care should be taken in its preparation. In most companies the finished product is sub-

¹⁶ " . . . A company which has made representations as to an increased value of plant cannot afterwards account for depreciation and income as if it had never made such representations."

¹⁷ Werntz, William W., "Come Current Deficiencies in Financial Statements," *Journal of Accountancy*, January, 1942, p. 30.

jected to a thorough scrutiny by top executives, labor relations executives, legal counsel, and auditors, as well as advertising and public relations executives."¹⁸

Not the least of the results of this broader purpose of accounting is the great improvement in statement presentation. Mr. Wernitz states that accounting statements of today contain on the average "more complete, more accurate, and more informative financial data than ever before."¹⁹

2. There is "a definite trend of opinion towards procedures which emphasize the income account rather than the balance sheet . . ." No longer is the older philosophy that if the balance sheet be "wrung out" with sufficient dryness as to leave only "conservative" or "accepted" valuations that the excretions constitute the income charges and that the "plug" figure is the "true" income of the period. Now problems of valuation, revaluation, amortization, etc., are approached with the primary consideration of determining first the proper charges against income, of considering how the measurement of current effort (i.e., cost and expenses) can best be made and of how the measurement of current accomplishment (i.e., revenue) can best be determined. This trend away from the "valuation" approach to the "income-cost" approach appears to be almost complete in accounting theory of today. Of course, differences of opinion as to the proper determination of the periodic revenue charge exist (e.g., the controversy between first-in, first-out and last-in, first-out), but few dispute that this should not transcend considerations of valuation in statement preparation.

3. Accountancy is endowed with a public interest and with great social responsibility. Recognition of this is everywhere shown in current literature; it is certainly evidenced by recent legislation concerning the accountant's responsibility; and it must have been uppermost in the minds of the AIA Committee when it promulgated the bulletin on ordinary stock dividends. No other reason is apparent to explain the rather extraordinary recommendations relative to the total amount of earned surplus to be capitalized, the amount to be capitalized per share, with the addi-

¹⁸ Selvedge, J. P., and M. M. Lee, *Making the Annual Report Speak for Industry*, xii.

¹⁹ Wernitz, *op. cit.*, p. 318.

tional requirement that "the directors, in their study as to the number of shares to be distributed as a stock dividend, should take into consideration a fair market value per share for the increased number of shares," all that the recipient stockholders not be misled as to the nature and the real amount of the distribution.²⁰

4. Finally, it appears that accounting is breaking away from the heavy influence of legalistic concepts in its classification of and accounting for capital stock and surplus. No longer is availability for dividend payment the controlling factor in the treatment of surplus. And no longer does "legal capital" (i.e., legal concepts of capital) prevent clear thinking and precise treatment in accounting for capital and income. Section D of AAA's "Accounting Principles Underlying Corporate Financial Statements" is an excellent statement of principle relative to corporate proprietorship. It begins simply with the indisputable proposition that "Corporate capital . . . consists of two major divisions—capital paid in by present and past stockholders and earned surplus—which must be segregated and clearly differentiated on the balance sheet."²¹ The statement then proceeds to set forth with clarity the principles governing classification, disposition, and general treatment of the fundamental categories of corporate capital.

Surely accountancy has accomplished much in the past decade for greater usefulness, greater certainty of results, and towards the development of an authoritative body of theory which can and is being accepted with considerable confidence by the profession.

²⁰ *Accounting Research Bulletin*, No. 11, pp. 101-102.

²¹ *Accounting Review*, June, 1941, *op. cit.*, p. 137.

Ten Years of Supreme Court Voting*

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The United States Supreme Court has received careful examination from many angles, as befits one of our most important and uniquely American governmental institutions. For the most part these studies have been legal, historical, or biographical in character. The quantitative method, which has been so widely applied in the analysis of social phenomena during the past several decades, has been called on very little in connection with studies of the Supreme Court. And yet there are aspects of the Court's work which lend themselves to quantitative description. Primarily there is the fact that, as a body composed of nine justices, legal issues presented in cases coming before the Court must be decided by counting the yeas and nays, just as in a legislature. Since A. Lawrence Lowell's pioneer effort in 1901, analyses of congressional voting behavior have been common, but little has been done toward showing the voting divisions on the Supreme Court in any systematic way.¹

It is the purpose of the present study to present a description, in quantitative terms, of the voting behavior of the justices of the Supreme Court during the past decade.² The ten terms covered begin with that for the year 1931-32 (referred to hereafter as the 1931 term), and close with the 1940 term, which covered the period 1940-1941. At the beginning of this period the Court was composed of Chief Justice Hughes and Associate Justices Holmes, Brandeis, Stone, Roberts, McReynolds, Butler, Sutherland, and Van Devanter. Justice Holmes retired and was replaced by

* In the collection of data on which this article is based, the author was assisted by Paul Van Riper and William Wheaton.

¹ The *Harvard Law Review* has for a number of years printed quantitative summaries of various aspects of the work of the Court.

² In two previous articles the author has applied the methods used in this article to studies of the 1939, 1940, 1941 terms of the Court. See "Divisions of Opinion Among Justices of the U. S. Supreme Court, 1939-1941"; 35 *American Political Science Review* 890-8 (1941); and "The Voting Behavior of the Supreme Court, 1941-42," 4 *Journal of Politics*, 491-506 (1942).

Cardozo midway in the 1931 term.³ It was the Court as thus constituted which undertook to declare the New Deal unconstitutional, but which without any change in membership suddenly saw a great light on March 29, 1937, after President Roosevelt had proposed his Court reorganization plan. Several changes in the composition of the Court occurred during the latter part of the period. Death or retirement took Van Devanter, Sutherland, Cardozo, Brandeis, and Butler from the bench; they were replaced by Black, Reed, Frankfurter, Douglas, and Murphy. By the close of the decade the Court thus had a Rooseveltian majority, and its thinking had undergone a tremendous change. Throughout these ten years divisions of opinion on the Court were strongly marked and the period is an exceptionally interesting one for observation of voting behavior.

The majority of cases brought before the Supreme Court are customarily decided by unanimous vote of all the participating justices, as would be expected in a relatively stable and long-established legal system where the principle of *stare decisis* generally prevails. For the decade under examination, the record of unanimous decisions and dissenting votes is given in the following table.⁴ The data show that during the first six years of the period well over eighty per cent of all decisions were concurred

³ Because Justice Holmes served so short a period in the decade under examination, he is excluded from consideration in the tabulations made here.

⁴ Several points need to be explained in connection with the treatment of judicial voting in the tables which follow. Opinions covered in this analysis include full opinions plus *per curiam* decisions reported in the same manner as full opinions. Opinions are counted, not cases; often several cases are decided by a single opinion. "Companion cases" (cases involving an issue identical with that decided in a preceding decision, and requiring little or no new discussion) are counted, since they are separate decisions. This results in giving double weight to divisions of opinion over a single issue, but it has not seemed justifiable to eliminate these companion decisions. With respect to dissents, it should be noted that occasionally it is not clear whether a justice who writes a separate opinion in a case is concurring or dissenting. The rule followed here has been to treat such opinions as dissents when they would require, if followed, a different disposition of the case than was made by the majority. Often several justices write dissenting opinions in a single case. If these dissents attack the majority opinion on the same general grounds, the dissenters are considered to be in agreement with each other. However, if the dissenters are objecting on widely differing grounds (i.e., one dissent may urge that the decision goes too far, while another holds it does not go far enough), they are considered to be in disagreement with each other as well as with the majority.

in by all the participating justices. In the last four years, how-

NON-UNANIMOUS OPINIONS AND DISSENTING VOTES ON THE
SUPREME COURT, BY TERMS, 1931-1940

Term	Total Opinions	Non-Unanimous Number	Opinions Per Cent	Dissenting Votes Cast
1931	151	26	17	55
1932	169	27	16	61
1933	166	27	16	66
1934	172	22	13	61
1935	160	26	16	80
1936	162	31	19	82
1937	170	46	27	88
1938	149	50	34	116
1939	141	42	30	85
1940	169	47	28	117

ever, there was a sharp drop in the unanimity of the Court. Based on the number of dissenting votes cast by individual justices, a fairly steady increase in judicial disagreement throughout the entire decade was evident.

It is, of course, only with the nan-unanimous opinions that this study is concerned. In order to present the data on dissents in a meaningful way, the following tables covering ten years of Supreme Court voting have been prepared. Each table gives the number of dissenting votes cast by each justice during the period covered. More important, it shows which of the other members of the Court agreed with him in his dissents, thus revealing the

PARTICIPATION OF AND AGREEMENTS AMONG SUPREME COURT
JUSTICES IN DISSENTING OPINIONS, 1931-1940 TERMS
1931-1935 TERMS

	Stone	Cardozo	Brandeis	Hughes	Roberts	VanDev.	Sutherl.	McReyn.	Butler
Number									
Dissents	67	55	57	15	15	17	23	33	36
Stone	(4)	51	53	12	6				1
Cardozo	51	(3)	40	12	2	1			1
Brandeis	53	40	(1)	10	8		1		3
Hughes	12	12	10	(2)	1	1			
Roberts	6	2	8	1	(1)		5	3	7
VanDevanter		1		1		(1)	13	11	13
Sutherland			1		5	13	(1)	13	19
McReynolds					3	11	13	(13)	17
Butler	1	1	3		7	13	19	17	(5)

1936 TERM

	Cardozo	Brandeis	Stone	Hughes	Roberts	VanDev.	Sutherl.	Butler	McR.
No. Dissents	7	5	3	2	4	11	14	16	20
Cardozo	(1)	4	3	2	1				
Brandeis	4	....	2	1	2				
Stone	3	2	....	1	1				
Hughes	2	1	1	....				
Roberts	1	2	1		(2)				
VanDevanter						....	11	10	9
Sutherland						11	(1)	12	11
Butler						10	12	(1)	14
McReynolds						9	11	14	(6)

1937 TERM

	Black	Stone	Cardozo	Brandeis	Reed	Hughes	Roberts	Sutherl.	Butler	McR.
No. Dissents	15	5	4	1	2	0	2	9	22	28
Black	(11)	3	2	1	1					
Stone	3	....	4	1						
Cardozo	2	4	....	1						
Brandeis	1	1	1	....					
Reed*	1				(1)					
Hughes						....			
Roberts							....	2	2	2
Sutherland*							2	....	7	9
Butler							2	7	(1)	21
McReynolds							2	9	21	(5)

1938 TERM

	Black	Reed	Frankf.	Douglas	Brandeis	Stone	Hughes	Roberts	Butler	McR.
No. Dissents	17	6	3	2	0	4	5	13	32	34
Black	(7)	6	3	2		1		2		
Reed	6	....						1		
Frankfurter*	3		....	2				1		
Douglas*	2		2	....				1		
Brandeis*					....				
Stone	1					(1)	2		2	2
Hughes						2	....	3	5	5
Roberts	2	1	1	1			3	....	11	11
Butler						2	5	11	(2)	30
McReynolds						2	5	11	30	(4)

1939 TERM

	Douglas	Black	Frankf.	Murphy	Reed	Stone	Hughes	Roberts	McR.
No. Dissents	4	4	2	1	1	4	14	23	32
Douglas	....	4	2	1					
Black	4	....	2	1					
Frankfurter	2	2	....					
Murphy*	1	1		....				
Reed					(1)				
Stone						(1)	3	3	2
Hughes						3	....	14	12
Roberts						3	14	(2)	19
McReynolds						2	12	19	(13)

1940 TERM

	Douglas	Black	Murphy	Frankf.	Reed	Stone	McR.	Hughes	Roberts
No. Dissents	15	15	6	2	8	7	9	24	31
Douglas	....	15	6	2	4				2
Black	15	....	6	2	4				2
Murphy	6	6	....	1					
Frankfurter	2	2	1	....				
Reed	4	4			....	1	2	3	3
Stone					1	....	2	7	2
McReynolds*					2	2	....	8	7
Hughes					3	7	8	....	19
Roberts	2	2			3	2	7	19	(8)

* Indicates that justice did not serve entire term.

pattern of judicial alignment. Dissents in which only a single justice participated are given in parentheses. The dissents for the terms 1931 through 1935 are covered by a single table, since the composition of the Court was unchanged during that period and the general pattern of alignments was largely the same. Separate tables are prepared for the last five terms, in order to follow the developments which occurred during those years.

There are two factors to be taken into account in studying judicial dissents—intensity and direction. Intensity of disagreement with the normal majority position of the Court is revealed simply by the number of dissents. Thus it is indicative of Stone's position on the Court from 1931 through 1935 that he filed dissents to twice as many decisions as did McReynolds, and that he objected to over four times as many decisions as Hughes. It is possible to speak of the direction of the dissents because of the fact that, as the tables show, most justices are habitually located on one side or the other of the normal majority position of the Court. A judge who has no dissents at all or dissents with both sides is obviously located pretty much in the center of the Court. In this discussion the two wings into which the Court is typically divided will be referred to as the left and the right, but these terms are not necessarily used in their ordinary political connotations.

The data on number of dissents given in these six tables reveal at a glance the balance of power on the Court during the decade. During the first five terms the Court was predominantly right-wing in sympathy; Stone, Cardozo and Brandeis being found in dissent twice as often as Sutherland, McReynolds, and Butler. Be-

ginning with the 1936 term, however, it was the justices on the right who found it necessary to protest against the decisions of the majority. The only significantly large number of dissents from the left during this latter period came from Black in the 1937 and 1938 terms, and from Black and Douglas during the 1940 term.

This tabular presentation likewise shows in graphic fashion the location of individual justices in relation to other members of the Court, and makes it possible to trace changes in alignment over a period of years. During the first five terms Justices Stone, Cardozo, and Brandeis are shown to have constituted a definite bloc on the left of the Court, as did VanDevanter, Sutherland, McReynolds, and Butler on the right. Justices Roberts and Hughes occupied a central position, though the Chief Justice had definite leanings toward the left, while Roberts was about as likely to be found in dissent with one group as with the other. The extent to which these two judges held the balance of power on the Court was demonstrated when, during the 1936 term, they both voted consistently with the justices on the left. The result was that the constitutionality of the National Labor Relations Act and other important New Deal legislation was upheld, and control of the Court passed from its right wing to its left.

With the coming of the 1937 term, two of the members on the right, VanDevanter and Sutherland, retired. Black, who replaced VanDevanter, immediately took his place at the extreme left of the Court, dissenting alone on eleven occasions during his first term. Reed, appointed to Sutherland's seat, voted with the left-wing majority. It is interesting to note that Chief Justice Hughes was in the majority on every decision during the 1937 term, while Roberts began to reveal tendencies toward the right which were to become more marked in succeeding terms.

The 1938 term saw the disappearance of two of the Court's liberals, Cardozo and Brandeis. They were replaced by Frankfurter and Douglas, neither of whom served the full term. Partly because of these changes the pattern of alignments for the year was a rather confused one. McReynolds and Butler remained as a right-wing bloc, and for the first time Roberts joined them in a significant number of decisions. In fact, there was a general rightward movement of the older members of the Court as the

new appointees took up positions on the left. Justice Brandeis was in the exact center of the Court, with not a single dissent—a far cry from the days when the dissenting duo of Holmes and Brandeis had become famous. Moreover, the Chief Justice was now definitely to the right of center, and even Stone was moving in that direction.

With the 1939 term, Butler was lost to the right, and Murphy was appointed to his seat. The judges on the left and in the center gave the Court a stable six-member majority during this term, while Hughes and Roberts were pushed increasingly often into dissent. When McReynolds left the Court during the 1940 term, they became the most extreme right-wing justices. Stone remained slightly to the right of center. Reed appeared to be the most centrally located judge, having dissents with members of both wings. The reappearance of dissent on the left, from Black and Douglas, was also a feature of the 1940 term.

Perhaps the most surprising fact revealed by this analysis is the clear-cut nature of the divisions on the Court. During the first half of the decade, for example, Stone dissented 67 times and McReynolds 33 times, but in no single case did they agree with each other in their dissents. Indeed, during four of the ten terms analyzed here, no justice in one group ever joined in a dissenting opinion with a justice from the other wing. In the other six terms such fraternization did occur, but very infrequently. Only two justices, Roberts and Reed, dissented with members of both wings in a significant number of cases during a term. Membership in the respective wings of the Court changed during the decade, as has been noted, but at any given time the lines between the wings were always clearly drawn.

Division of opinion on the Court can be described quantitatively by another method which is in many respects superior to that just employed. The tables preceding have revealed only agreements among justices who were dissenting from decisions of the Court. For a complete picture of judicial alignments, however, it is necessary to take into account all agreements in the non-unanimous decisions, on both the majority and the minority sides. Consequently a second series of tables has been prepared for this purpose. These tables show, for each pair of justices, the percentage of non-unanimous decisions in which both of the pair

were on the same side.⁵ By way of illustration, Frankfurter and Douglas both participated in 46 of the 47 non-unanimous decisions during the 1940 term. They voted on the same side in 33 of these decisions, and were on opposite sides in 13. The record of agreement between them is therefore shown in the table as 72 per cent. As in the preceding set of tables, the first five terms of the decade are presented together, with separate tables for each of the last five terms. The record of agreement between them is therefore shown in the table as 72 per cent. As in the preceding set of tables, the first five terms of the decade are presented together, with separate tables for each of the last five terms. The justices are placed in the tables according to the relationships which the data show to prevail among them.

Examination of the tables indicates that the justices can be

AGREEMENTS AMONG SUPREME COURT JUSTICES IN NON-
UNANIMOUS DECISIONS, 1931-1940 TERMS

(In Percentages)

1931-1935 TERMS

	Stone	Cardozo	Brandeis	Hughes	Roberts	VanDev.	Sutherl.	Butler	McR.
Stone	....	89	83	54	43	33	29	20	22
Cardozo	89	....	79	59	42	36	31	21	26
Brandeis	83	79	....	60	55	41	39	31	30
Hughes	54	59	60	....	77	77	71	60	62
Roberts	43	42	55	77	....	74	78	71	67
VanDevanter	33	36	41	77	74	....	93	82	79
Sutherland	29	31	39	71	78	93	....	87	78
Butler	20	21	31	60	71	82	87	....	75
McReynolds	22	26	30	62	67	79	78	75	....

1936 TERM

	Cardozo	Stone	Brandeis	Hughes	Roberts	VanDev.	Sutherl.	Butler	McR.
Cardozo	....	100	90	84	71	40	32	26	13
Stone	100	....	91	91	78	39	35	26	17
Brandeis	90	91	....	83	83	45	37	30	17
Hughes	84	91	83	....	81	57	48	42	29
Roberts	71	78	83	81	....	50	42	35	23
VanDevanter	40	39	45	57	50	....	93	87	73
Sutherland	32	35	37	48	42	93	....	87	74
Butler	26	26	30	42	35	87	87	....	87
McReynolds	13	17	17	29	23	73	74	87	....

⁵ Only non-unanimous decisions in which both members of each pair participated are included in the calculations.

1937 TERM*

	Black	Cardozo	Reed	Stone	Brandeis	Hughes	Roberts	Butler	Sutherl.	McR.
Black	....	88	62	68	70	67	64	17	20	9
Cardozo	88	....	x	100	81	75	60	13	8	6
Reed	62	x	....	82	85	85	85	38	x	23
Stone	68	100	82	....	91	89	83	41	15	27
Brandeis	70	81	85	91	....	98	93	50	33	37
Hughes	67	75	85	89	98	....	95	52	40	39
Roberts	64	60	85	83	93	95	....	57	57	43
Butler	17	13	38	41	50	52	57	....	80	83
Sutherland	20	8	x	15	33	40	57	80	....	100
McReynolds	9	6	23	27	37	39	43	83	100	....

1938 TERM*

	Black	Douglas	Frankf.	Reed	Stone	Brandeis	Hughes	Roberts	Butler	McR.
Black	....	100	100	77	67	59	56	45	6	0
Douglas	100	....	100	82	73	x	42	50	9	0
Frankfurter	100	100	....	85	79	x	62	57	5	0
Reed	77	82	85	....	83	86	77	64	26	21
Stone	67	73	79	83	....	95	90	62	35	30
Brandeis	59	x	x	86	95	....	100	69	41	36
Hughes	56	42	62	77	90	100	....	73	45	41
Roberts	45	50	57	64	62	69	73	....	56	53
Butler	6	9	5	26	35	41	45	56	....	94
McReynolds	0	0	0	21	30	36	41	53	94	....

1939 TERM

	Douglas	Black	Murphy	Frankf.	Reed	Stone	Hughes	Roberts	McR.
Douglas	....	100	100	95	87	80	58	37	8
Black	100	....	100	95	87	81	56	36	8
Murphy	100	100	....	95	90	75	55	45	11
Frankfurter	95	95	95	....	92	86	61	40	13
Reed	87	87	90	92	....	87	66	44	17
Stone	80	81	75	86	87	....	71	50	21
Hughes	58	56	55	61	66	71	....	80	50
Roberts	37	36	45	40	44	50	80	....	64
McReynolds	8	8	11	13	17	21	50	64	....

1940 TERM

	Douglas	Stone	Murphy	Frankf.	Reed	Stone	McR.	Hughes	Roberts
Douglas	....	100	84	72	67	55	32	18	12
Black	100	....	84	72	67	56	32	20	11
Murphy	84	84	....	86	70	76	47	36	20
Frankfurter	72	72	86	....	82	80	42	42	25
Reed	67	67	70	82	....	70	53	41	26
Stone	55	56	76	80	70	....	58	65	29
McReynolds	32	32	47	42	53	58	....	94	56
Hughes	18	20	36	42	41	65	94	....	67
Roberts	12	11	20	25	26	29	56	67	....

* An x indicates that the two justices concerned participated in none of the same non-unanimous decisions during the period covered.

thought of as located on a continuum, ranging from the extreme left to the extreme right of the court. They tend to maintain relatively fixed positions on this continuum, each justice normally having a high rate of agreement with the justices on either side of him on the scale, with the rate of agreement dropping off the further one proceeds in either direction. Taking the 1938 term for demonstration, it will be noted that Black, at the far left of the Court, had agreements with his fellow justices ranging from 100 per cent with his nearest neighbors down to zero with McReynolds at the far right of the Court. In the case of McReynolds, the trend was just reversed, going from zero with Black to 94 per cent with Butler, McReynolds' closest companion on the scale. During the same term Stone, in a central position on the Court, had rates of agreement which dropped gradually away to his left (83, 79, 73, and 67 per cent), and more sharply away to his right (95, 90, 62, 35, and 30 per cent). Naturally there are exceptions to this regular pattern of relationships, but for the most part they are minor in character.

It is impossible to discuss all the points of interest raised by these tables concerning the position of individual justices, but a few comments may be made. The Court is shown to have been more homogeneous in the first half of the decade than in the second. During the first five terms the lowest rate of agreement between two justices was 20 per cent, while in subsequent years it ranged from zero to 13 per cent. It is interesting to note that Brandeis was never quite as far to the left as Stone and Cardozo, and that Cardozo was for the most part to the left of Stone. Chief Justice Hughes was generally close to the center of the Court during the decade, with a definite leaning toward the left during the 1936 and 1937 terms, and a marked shift to the right in 1940. Hughes' rate of agreement with Stone, his successor as Chief Justice, was only 54 per cent during the first five terms, then jumped to around 90 per cent for three terms, and finally slipped to 71 and 65 per cent as Hughes shifted toward the right more rapidly than did Stone. The most remarkable unanimity on the Court was that of Black and Douglas, who in the two and one-half terms they served together during the decade were never once on opposite sides of a decision. Frankfurter was closely allied with

them at first, but the 1940 term found him considerably to their right.

The virtue of this method of tabular presentation of the voting divisions on the Supreme Court is that it makes possible a clearer and more accurate description of alignments on the Court than has hitherto been possible. A graphic description in quantitative terms is substituted for a general verbal account such as that which Thomas Reed Powell gave of a somewhat earlier period on the Court when he said:

There was a reason when on many important issues, Mr. Chief Justice White and Justices VanDevanter and McReynolds were fairly certain to be on one side, and Justices Holmes, Brandeis and Clarke to be on the other side. Decision then depended upon which side got two of Justices McKenna, Day or Pitney.⁶

It should be emphasized, however, that the data here presented are simply descriptions of the divisions on the Court, not explanations of them. Doubtless there is much justification for labelling the two wings into which the Court is customarily divided by judicial dissents as conservative and liberal, and for considering the continuum on which the justices appear to be located as a rough kind of attitude scale measuring relative liberalism and conservatism. Such explanations are much too facile, however. The factors which go into the making of the judicial mind are certainly more complex. Powell's keen insight has indicated the kind of forces that one may expect to find:

Mr. Chief Justice White was loth to condemn fiscal exactions but somewhat hostile toward regulatory measures . . . Mr. Justice Pitney had a feeling both for local government and for *laissez faire* and when the two preferences came into conflict, he would follow now one and now the other . . . Mr. Justice Sanford had both a deference toward government and a deference toward Mr. Chief Justice Taft, and these two inclinations were not always harmonious.

The explanation of judicial behavior, it can be seen, is not a matter to be undertaken lightly, but the method of description employed here should furnish a useful basis for further explorations into the mind of the Supreme Court.

⁶ "Some Aspects of American Constitutional Law," 53 *Harvard Law Review*, 529, 536 (1940).

Colonel George Wythe Baylor

JOHN L. WALLER
COLLEGE OF MINES

The Baylor family has been numerous and prominent in the history of Texas and of the nation. From Revolutionary days, a strong tendency towards the military has been pronounced in them. Colonel Baylor's great-grandfather, grandfather, and three great-uncles served under Washington; his father, Dr. John Walker Baylor, was surgeon for many years in the Seventh Infantry Regiment; of the five sons of Dr. Baylor, one fought in the Texas Revolution, one in the Mexican War, and two were in the Confederate Army. Two of Colonel Baylor's brother, Henry W. and John R., ran away from school in Cincinnati to fight for Texas, but returned to school on account of lack of funds. The principal placed them on the platform and introduced them as "General Henry Baylor and his army returned from the conquest of Mexico."

Dr. John W. Baylor was located for several years at Fort Gibson in the Indian Territory, and during this stay, August 24, 1832, George Wythe Baylor was born. When the boy was about four years of age his father died near Natchez, Mississippi. His mother, after trying to adjust herself in Mississippi and Arkansas, returned to Fort Gibson. In 1845, George went to live with his brother, John R., in Fayette County, Texas; subsequently he attended Professor Halsey's school at Ruttersville, and, according to one account, attended Baylor University (?) at Independence. His writings indicate a liberal knowledge of history and literature; he played the violin, and his repertoire ranged from the "break-down" to the best music of the Old Masters. He used neither tobacco, whiskey, nor profanity, but enjoyed music and dancing.¹

¹ O. W. and H. B. Baylor, *Baylor's History of the Bayers*, 18-26; *El Paso Herald*, June 29, 1901; L. E. Daniel, *Personnel of Texas State Government*, 1887, pp.104-105; Grant Foreman, (Ed), *A Traveler in Indian Territory. The Journal of Ethan Allen Hitchcock, late Major-General in the United States Country*, 97-98; H. B. Gillett to J. L. Waller, October 29, 1935, (The letter-books, journals, and notes of Colonel Baylor, are, if existent, in possession of his daughter, Mary Baylor, at Sutherland Springs, Texas, or his grandson, Harper Baylor Gillett, in San Antonio, Texas.)

George went to California in 1854, and for a year was an "honest miner" in the Kern River region. In 1856 he joined the vigilance committee in San Francisco and did service at "Fort Gunny Bags." Judge David S. Terry stabbed an agent who was attempting an arrest ordered by the vigilance committee, whereupon he was arrested and held pending the outcome of the stabbing. Baylor says that Terry, though a member of the California Supreme Court, would surely have been hanged had the wounded agent died. Terry belonged to the Law and Order Party, which, according to Baylor, included the gambling and lawless elements.

He returned to Texas in 1859. At this time his brother, John R. Baylor, was living in Weatherford, and George went there to live.² It was during this period of life that he gained a reputation as an Indian fighter.

George claims to have been the first to raise the "Secesh" flag in Austin, Texas, thereby almost precipitating a fight because of the pronounced Unionist sentiment. As soon as the Texas legislature passed the Ordinance of Secession, two regiments of mounted rifles were raised. John R. Baylor was made Lieutenant-Colonel of the Second Regiment. Colonel Baylor was directed to take four companies and proceed to El Paso. He took George as his Adjutant.

John R. Baylor assumed administrative control as Governor of Arizona, which included New Mexico. The Secretary of war authorized him to raise the Arizona Brigade. George was made Colonel of the Second Regiment. While it was being assembled and drilled, General Baylor was suspended. We had written Captain Helms to get the Apaches or any other tribes to come in, and then to kill all the adults. Whether President Davis got a copy of this letter or not, Baylor was suspended and the work of completing the brigade was done by General J. B. Magruder. On February 21, 1863, Magruder made George Colonel of the Second Regiment, and sent him to Louisiana for service.

While in New Mexico, George met Albert Sidney Johnston, who was making his way overland from California to Texas to enter

² *El Paso Herald*, November 8, 1902; H. H. Bancroft, *Popular Tribunals*, II, 307-319; Samuel Colville, *The San Francisco Directory* (for the year beginning October, 1856), 12; Gillett to Waller, October 29, 1935; C. S. Potts to Waller, December 7, 1935.

the service of the Confederacy. He became aide-de-camp to Johnston, and was with him at the time of his death; he was in the escort that accompanied his body to New Orleans. Beauregard commended Baylor for his service on Johnston's staff. For a time Baylor was on the staff of Beauregard.

The most active and outstanding service of Colonel Baylor was in the Red River Campaign in the general vicinity of Alexandria, Louisiana, beginning at Mansfield on April 8, 1864, including fights at Pleasant Hill, Prothro's Bridge, Wilson's Landing, and ending, May 18, at Yellow Bayou. Baylor's regiment was attached to Walter P. Lane's Brigade. Lane was wounded and Baylor led the Brigade throughout most of the campaign. General Tom Green was killed, and the command of the cavalry went to Major General John A. Wharton. Friction soon arose between Wharton and Baylor. Baylor's position being unsatisfactory, he secured permission to take the matter to Richmond. Wharton, however, told him of a plan maturing to invade Texas, and said his services were needed.³ Baylor agreed to stay, but told Wharton specifically that he would not recognize David S. Terry, Junior Colonel. Baylor and Terry had been on opposite sides in the Vigilante Movement in California.

A general plan of reorganization called for dismounting a number of cavalry regiments. This is always a delicate matter, for mounted men resent bitterly having to give up their horses. Baylor had belonged to mounted troops from the beginning of the war, and, when his regiment was dismounted, felt that favoritism was shown. On top of this, after he led his limping troops into Millikan, Texas, an oral order came for him to report to Terry, who was to be made Brigadier-General. The Confederacy was crumbling slowly, and nerves were brittle. There were many things to upset him, and Baylor fairly exploded.

He went immediately to Houston for a definite understanding with General Magruder. Unhappily, General Wharton was there, and, meeting Baylor, spoke to him rather brusquely. Harsh words passed and Baylor was placed under arrest. Baylor went to the

³ *El Paso Herald*, November 9, 1901; *The War of the Rebellion: A Compilation of the Official Records of the Union and Confederate Armies* (128 vols., Washington, D. C., 1880-1901), Series 1, Vol. 10, Pt. 1, p. 391; Vol. 15, p. 918; Vol. 26, Pt. 2, pp. 57-58; Vol. 34, p. 616; Vol. 50, Pt. 1, p. 942, Pt. 2, p. 333; Gillett to Waller, October 29, 1935.

headquarters of Magruder at the Fannin Hotel. He testified that Baylor was greatly excited, and that he left him for a time to regain his composure.

During Magruder's absence, Wharton and General James Harrison came to headquarters. Both Baylor and Wharton were astonished, and the quarrel was renewed. Hot words passed, and Wharton rushed at Baylor and struck him. Baylor then drew and cocked his pistol, Harrison all the time attempting to keep the men separated. Baylor fired under Harrison's arm, killing Wharton almost instantly. This unfortunate incident occurred on April 6, 1865, and for a time threatened to result in serious consequences, for both men had many friends. W. P. Doran, war correspondent, says that Mrs. Baylor, upon hearing of the affair, rushed to her husband's side and insisted on entering the prison with him and staying there until the passion subsided. A court martial was considered, but with the surrender of Lee, the case was turned over to the civil courts. Baylor was placed under bond, and, after a "tedious trial," was acquitted.⁴

Colonel Baylor's relations with and attitude toward Indians are noteworthy. He attended school with the nephews of Rollie McIntosh, prominent Creek Chief. His relations with the Creeks must have been pleasant. Some of his own family and kinsmen, however, came to Texas very early, and it may be that their unpleasant experiences with the Comanches and other hostile tribes influenced him.⁵

When the Comanches were placed on a reservation on the Clear Fork of the Brazos, John R. Baylor was appointed agent. Robert S. Neighbors, who represented the enlightened policy of the Interior Department, was superintendent, but was confronted with an impossible task—namely, that of coping with the fighting Texas frontier of the 1850's.

Agent Baylor reported finding horses of his old neighbors among those brought in by his charges. Being dismissed from the army, he set himself deliberately to the task of forcing the Comanches out of Texas. George accepted his older brother's lead enthusias-

⁴ William P. Ballinger, *Diary* (April 9, 1865); Gillett to Waller, October 29, 1935; W. P. Doran, "A Noteworthy Tragedy," in *Galveston Daily News*, December 8, 1895.

⁵ *El Paso Herald*, November 9, 16, and 23, 1901.

tically. Frontiersmen rallied to Baylor's call, and invasion of the reservation in the face of Government troops became imminent. Neighbors and army officers urged removal, which was done just before the Civil War.

Raids from the reservation near Fort Sill followed, and on one of these Josephus Browning was killed. The Brownings had many friends, the Baylors among them, and under the leadership of John R., a group of six, including George, followed the Indians. Several of the men were armed with rifles and revolvers, but George had a double-barrelled shotgun and revolver. About noon the second day the Indians were sighted, and a running fight followed in which George killed one. The dead Indian was scalped, and Baylor gave reasons for it:

And here our eastern friends are entitled to an explanation—especially those who get their ideas of the noble red man from Cooper's novels—as to why we scalped our enemies. The Indians believe that if they can carry off their dead and hide or bury them (and they will take all desperate chances to do so) with a whole scalp, they will go to paradise. Their idea of that blissful spot is a beautiful land with groves of shade trees, beautiful springs of sweet, clear waters, where plum thickets, acorn trees, and loaded grape vines are found, and where buffalo, deer, fish, honey, and all game abound—gentle, fat and easy to kill—the best of grass and splendid war horses, and last but not least where the women are all young and beautiful. Their idea of hell is a place where the water is alkali or salty, game poor and wild, the grass is scant, horses, buffalo and deer scarce and the women old, ugly, skinny squaws. All Indians who lose their scalps go to this place. And as we were not in the missionary business we sent everyone to hell we could by scalping them.

As a final gesture in this particular case, a heavy hunting knife was used to split the Indian's skull as they "wanted to give him a receipt for all the men, women and children he had murdered and the horses stolen, as well as give notice to his friends and kinsfolk to keep off of our grass." The party then collected the horses and started home. Three different groups of Indians were sighted on the return; one band, too large, was given a wide berth, and two were attacked. In the first group of seven, six were killed and scalped. It was in this fight that the Colonel felt that he established a world's record by killing three Indians with one shot from his shotgun. A number of horses were captured.

Starting homeward once more, they ran into a band of six hostiles just below Phantom Hill. Here the Indians did not run, and there followed one of the most daring and courageous fights

in which Baylor ever participated. One Indian, after all of his comrades had fallen, repeatedly attacked the six men. Baylor paid him this tribute, "I don't think during the entire war between the states or in all my frontier experience that I ever saw such cool, desperate valor displayed as this young Indian showed." The total number killed was no thirteen, and they returned with fifty-five horses and the scalps and other tokens of the hunt. Young County held a great barbecue; Jack County would not be outdone; and the round of celebrations was concluded with a "Scalp Dance" at Weatherford, with the leading citizens participating.⁶ The Civil War and Reconstruction interrupted Baylor's Indian fighting until 1879.

The "Salt War" episode, in which five Americans were killed, brought the Rangers to El Paso County. Major John B. Jones, Adjutant-General of the Frontier Battalion, was sent by Governor Hubbard in 1877 to El Paso. He organized a detachment of Rangers and left them on duty.⁷

In the summer of 1879 Colonel Baylor, unprosperous and unhappy on his chicken and truck farm, wrote Adjutant-General Jones, asking if he had any Indians that needed scalping; he felt "better muscled" for that than for competing with the "big-fisted German's raising "cabbages and onions." An offer of a lieutenancy of a Ranger detachment in El Paso County was promptly accepted, for the salary of \$75.00 with quarters and rations looked princely to him, since he "had been two years on scant rations and no pay." Major Jones wired him to come to Austin. The complicated and delicate situation resulting in and growing out of the Salt War was explained and he was instructed to exercise every care to avoid recurrence of trouble. Major Jones presented him to the Old Alcalde, Governor O. M. Roberts, who concluded rather impressively, "Lieutenant Baylor, I want you to remember out in that far, wild country, that you represent the honor and

⁶ R. N. Richardson, *The Comanche Barrier to South Plains Settlement*, 248-257; J. W. Wilbarger, *Indian Depredations in Texas*, 442; George Wythe Baylor, "On the Train of the Bloodthirsty Comanche," *El Paso Herald*, August 3, 7, 10, 1901; *Galveston Daily News*, May 30, 1885; Edith Jordon, "History of Parker County," M. A. Thesis, University of Texas, 28-29.

⁷ *Report of the Adjutant General of the State of Texas for the Year Ending August 31, 1878*, pp. 13-22; J. B. Gillett, *Six Years With The Rangers*, Ch. 11; W. P. Webb, *The Texas Rangers*, Ch. 16.

dignity of the great State of Texas." Colonel Baylor straightened himself and replied, "Governor, as far as an army of ten men can do it, you may rest assured that I will."⁸

About the time lieutenant Baylor assumed his duties in El Paso County, Victorio and one hundred and twenty-five Apaches left the reservation at Fort Stanton, New Mexico, most of them never to return. The army made it uncomfortable for the renegades, and Victorio moved down into the Candelaria Mountains in Chihuahua in the fall of 1879.⁹

From the vicinity of Lake Guzman in Chihuahua in the spring of 1880, Victorio made preparations for a long foray, but did not enter Texas until mid-summer. Word came from General Grierson, in command of a detachment of Negro soldiers in Fort Davis, of a skirmish with the Indians and, since the skirmish was on Texas soil, Baylor did not "stand on the order of going." With fourteen men he hurried to Fort Quitman where he received instructions from Grierson to scout in the direction of Eagle Springs for Indian signs.

They found where the stage had been waylaid and the driver and a passenger killed. The mail sacks had been opened and letters stuffed into the wounds of the mutilated bodies. When the trail was found, the Indian scouts counted 180 different animal tracks, telegraph lines were down and many insulators broken, suggesting to Baylor that "Vic was becoming scientific as well as warlike." Grierson's train, overtaken by the Rangers, had an escort with a Gatling gun, and Baylor hoped for an opportunity to turn it loose on the Indians in the open country and to see "such a gitten up the mountains as never was seen before."

After scouting for a day without results, the troops turned back to Eagle Springs. The Indians were ahead of them and succeeded in waylaying the stage in Quitman Canyon and in killing General Bynum, the only passenger. It astonished Baylor to learn that Bynum and the driver had one gun with only one bullet to protect themselves, in a country where life depended upon the ability to

⁸ *El Paso Herald*, January 13, 1900; J. B. Gillett, *Six Years With The Rangers*, 191.

⁹ Baylor to Jones, December 3, 1879; October 10, 1879. In *Transcripts From the Office of the Adjutant General of the State of Texas* in Library of the University of Texas, 1879-1880 (Hereafter cited A.G.O.)

shoot often and straight! Bynum received two shots, one within an inch of an old Civil War wound, the other entering the body low down and ranging into the bowels, not coming out. Baylor wrote: "He must have suffered 10,000 deaths. We buried him (a mixed crowd—Confederate and citizens, and U. S. soldiers) and fired a couple of volleys over his grave." Grierson was not allowed to cross the line at the time, and the Rangers dared not go alone. Baylor sent his regrets not to have "tried a round with old Vic, for I flatter myself we should have sent you some wool as a trophy." They had been out twenty days and had ridden 500 miles.¹⁰

Victorio made his way into the Candelaria Mountains. After this bold and successful raid—success being measured by the bloody trail and horses and cattle stolen—the Governments of Mexico and the United States arranged for a joint attack. General Buell of the U. S. Army cooperated with General Joaquin Terrasas for the purpose of driving Victorio out of his stronghold near Lake Guzman. Baylor received an invitation to join the campaign, and, since he was ever ready to "take a lick" at Victorio, left Ysleta, September 17, 1880, with a scout of fifteen Rangers, including Sergeant Gillett. The plan was to strike Victorio on September 25; it was October 6, however, before all forces arrived.

In the meantime there was marching and counter marching to the point of confusion. On October 8, General Terrasas reluctantly informed all American forces that the Government desired them to leave Mexican territory, distrust of the Apache Scouts doubtless influencing this action. The Rangers, after a scout of twenty-four days, reached Ysleta about the time Terrasas succeeded in killing Victorio and practically destroying his band at Tres Castillos. The night before the attack twelve warriors deserted, and, with several women and children, made their way into Texas. This group promptly entered into a series of crimes that ended in the last battle of the Rangers with the Indians.¹¹

Small detachments of soldiers, lonely shepherders, and travelers along the transcontinental road that led through the Davis Moun-

¹⁰ Baylor to Jones, August 26, 1880, A.G.O.

¹¹ Baylor to Jones, October 28, November 11, 1880, A.G.O.; C. C. Rister, *The Southwest Frontier, 1865-1881*, 205-217.

tains, fell victims to the attacks of this remnant of Victorio's once powerful following. The stage was attacked in Quitman Canyon early in January, 1881; Morgan, the driver of the stage, and a gambler named Crenshaw were missing. Because there was some feeling that a group of escaped criminals had committed the crime and deliberately manufactured Indian signs to divert attention from themselves, Major Jones ordered Baylor to investigate. With fifteen Rangers he left Ysleta January 16, 1881, for Fort Quitman. The trail bore off southwest into Mexico.

Signs dispelled all doubts as to the marauders. Not far from the Rio Grande a camp was found, and on the trail a boot top, recognized as belonging to Morgan, was discovered. At the same place a new trail coming from the Candelaria Mountains joined the first trail in the direction of the Rio Grande, making a straight for Eagle Springs.

Baylor camped three or four miles from the mountains and early next morning found an Indian camp that had been hastily abandoned. Blankets, saddles, buckskin, baskets and many things of use were found; two horses and one mule had been killed and the blood was in tin vessels; there was a five-gallon can of mescal and fifteen or twenty gallons in a horse hide sunk in the ground; and a mule tongue was stewing—everything pointing to preparation for a war dance.

Fortunately, Baylor soon ran into Lieutenant Nevill's ranger detachment, who had located the trail on the west side of the mountains going in the direction of Diablo Mountains. The Indians made no camps until they reached the Diablos and their first camp, "near a most horrible canyon down which they could soon have disappeared had we come upon them," showed they had not recovered from their scare. It was not long, however, until indications pointed to carelessness. Camps were close together, and fires to prepare food had been built.

On January 28, a leg of a horse was found, from which blood dripped when it was raised. Excitement arose to fever heat, for all felt certain of avenging the many outrages committed by this band. Late that afternoon a fireless camp was made on the frozen ground. Early the next morning Baylor, Lieutenant Nevill, and

the scouts experienced great difficulty keeping on the trail, but after preceeding a short distance the guides sighted the tipi. By taking advantage of the crest towards the plains, they were able to get within 200 yards of the camp. One of two tipi were on the opposite side of the crest from the main camp, and Sergeant Caruthers was detailed to take seven men to attack this group. Cautiously feeling his way among the Spanish Dagger plants, Baylor advanced to within 100 yards of the Indians, who were just beginning preparations for breakfast.

A dip in the crest appeared at this point. Baylor dropped to his knees and signalled the men to fall in to the right; his shot was the signal for general firing. Only a few shots were fired before the Indians fled precipitately, "unlike our Comanches who will always turn at bay no matter against what odds." Sergeant Caruthers carried out his part of the attack in gallant style, killing three Indians before they could flee. Many blood traces on the camp site and along the trail of the fleeing Indians proved the effectiveness of the shooting; one big buck Indian fled up the side of the mountain in plain sight, and every man emptied his gun at him—Baylor says that 200 shots were fired—without bringing him down. The bitter cold caused all to use blankets, which made it difficult to distinguish the women,—in fact, "law under which the Frontier Battalion was organized don't require it." Four warriors, three women, and two children were killed on the spot, and many were wounded. Skeletons found afterwards in the vicinity indicate that several of the wounded died. A squaw and two children were captured. Captured supplies included sixteen horses and mules, which won a "Hurrah! for Company A! We are ahead on the horse account" from Quartermaster Caldwell. Evidence of various sorts proved this band of Indians had killed ten people in the preceding few months.

Breakfast was made on the camp site, and, in spite of killed and wounded, was enjoyed, for it was their first good meal since noon the day before.

"Some of the men found horse meat pretty good and whilst others found venison and roasted Mescal good enough we had almost a boundless view from our breakfast table towards the North the Grand Old Cathedral Peak of the Guadalupe Mountains, further west the San Antonio Mountains, the Cornudas Las Alamas, Sierra Alto, at the Hueco Tanks only 24 miles from

Headquarters to the east El Muerto, and south the Eagle Mountains, the beauty of the scenery only marred by man's inhumanity to man, the ghostly forms of the dead lying around."

Baylor praised his men for their coolness and deliberation. The only dissatisfied ones made up the horse guard, but, as he stated, they often held the "post of danger and death." He spoke of the patient endurance of the bitter cold, many of the men "losing their canteens from the ice bursting them." In concluding his report, he wrote, "I trust we have broken up a very bad band of Indians that have long depredated in this region and greatly regret that we did not have five men with breech-loading shot guns. I don't believe a single Indian would have escaped at any rate don't think they will sit down to eat breakfast without looking around to see if the Rangers are in sight." He must have had supreme satisfaction in making "good injuns" of this last "gang of murderers," for as the curtain fell, January 29, 1881, on the last scene in the Diablo Mountains with "ghostly forms of the dead lying around" it marked the end of this colorful, and, to the Rangers, most enjoyable phase of their service in the Frontier Battalion.¹²

Baylor scouted for Indians into New Mexico, going as far as the Sacramento Mountains, where he found a hunter's paradise, in the hope, as he says, "I may catch them off the reservation." Fort Stanton was so situated that the Indians could easily escape to the mountains, and Baylor felt that until the Government moved all the hostiles onto a reservation in the open country where they could be guarded successfully, the whites would always be subject to raids. He appreciated, however, the Mescaleros' unwillingness to give up their homes.

"This wild country is the Indian paradise; we found Elk, Bear, Deer (both white and black tail) and turkies abundant. The grass and water are fine and wild fruit abundant. Rasberries, strawberries, cherries, gooseberries, currants and plums grow wild and in great profusion. Whilst acorns and pinnon nuts afford plenty of feed for the bear as well as other game . . . I don't blame them for not wanting to leave, for with its great shady pines and oaks, beautiful glades filled with grass and brooks, it is a land worth fighting for."¹³

In the periods free from Indian disturbances the main duty of

¹² Baylor to Jones, January 16 and February 9, 1881, A.G.O. *El Paso Herald*, August 10, 11, 14, 15, 1900.

¹³ Baylor to King, May 5, 31, July 9, and September 1, 1882, A.G.O.

the Ranger force was to co-operate with peace officers in maintenance of law and order and in the apprehension of fugitives from justice. The Mexican officials would not always cooperate in this business, and the Rio Grande was easily fordable at almost all times. Some parties in the County thought the Rangers did not try to catch the fugitives. In his letter of December 19, 1880, to Major Jones, Baylor referred to charges that he disliked the "fugitive catching business" and acknowledged that he "would rather have been in at the death of Old Victorio and his band of murderers than catch a 10 acre corral full of yearling thieves." As a parting shot, he asserted: "If we caught 100 Mexicans stealing and turned them over to Sheriff Benito Gonzalez, they would all be free in a week."

Conditions in El Paso were lively after the coming of railroads and "squally" at times. Baylor said:

"All the horse thieves, murderers and rowdies that the Rangers have run out of Texas in the last five years are congregated in the southwest corner of New Mexico and in the adjoining corner of Arizona and are so strong and defiant that neither New Mexico nor Arizona can oust them. Had it not been for the Rangers, they would have made El Paso their headquarters."¹⁴

Sergeant Gillette was appointed marshal in El Paso, and matters quieted down to the extent that in 1884 the Rangers were moved to Murphysville, now Alpine, in the Big Bend.

During the time his Company was located there, Baylor rendered his last important service. Fenc-cutting activities in Nolan county reached such proportions that in 1882 seven Ranger Companies were concentrated there with Baylor as acting Major. (He was made Captain in 1880). After the tension was relieved, Baylor returned to Presidio County. By order of March 31, 1885, to take effect on April 15, Captain Baylor and Company A were mustered out of service.¹⁵ He returned to El Paso County and immediately began to participate in the social and political life of that section.

Colonel Baylor's home life and his activities outside the field of fighting are of interest. During his Civil War Service in and

¹⁴ Baylor to Jones, January 18, March 1 and 18, and December 27, 1880; Baylor to King, December 9, 1881, and January 31, March 12, 13, 14, 15, May 5, 8, 31, July 9, and September 1, 1882, A.G.O.; Baylor to King, April 26, 1882; unsigned memorandum following letter of September 11, 1882; Stoudenmire to King, March 29, 1882; Baylor to King, May 31, 1882, A.G.O.

¹⁵ *The Lone Star*, March 5, 1884; *Report of the Adjutant General of the State of Texas for the year Ending August 31, 1884*, p. 22; *Ibid.*, 1886, p. 50.

around Houston and Galveston, he met and married Sallie Garland Sydnor, daughter of J. S. Sydnor, prominent merchant of Galveston. Mrs. Baylor was an accomplished pianist. Two children, Helen and Mary, reached maturity. Friends and acquaintances remember Colonel and Mrs. Baylor as great conversationalists. Ranger Captains Gillett and Hughes, and others, recalled with enthusiasm their entertainment in the Baylor home. One of the wagons that brought the Bayers and their household goods to Ysleta in 1879 contained Mrs. Baylor's piano. The violin that the Colonel secured in California was never left behind.¹⁶

While yet a Ranger Captain, Baylor ran for sheriff of El Paso County in 1882. He lost by a very slight margin. He was elected to the Legislature in 1886 and served one term. In May, 1889, he was appointed District Clerk and served both the district and circuit courts until he resigned to run for Assessor and Collector in 1892. Governor Hogg had a numerous following over Texas in the late 1880's and early 1890's, and it seems that Colonel Baylor was a Hogg supporter. Yet opposition to Hogg was strong in the El Paso area by 1892, and one of the local papers, commenting on Baylor's candidacy, remarked that he would find there and was "no place for Hogg men." Baylor was defeated. The next year the *El Paso Herald* endorsed him for the post of United States Consul to Juarez. Whether the Hogg men were denied presidential patronage or not, Cleveland failed to appoint Baylor.¹⁷

He and his family moved to Mexico about 1898. Except for the two years in Cuernavaca, the Bayers lived in Guadalajara. Mrs. Baylor and Helen died in Mexico.¹⁸ Colonel Baylor and Mary removed to San Antonio, Texas, in 1913. Colonel Baylor died in San Antonio, Texas, March 27, 1916.¹⁹

¹⁶ H. B. Gillett to J. L. Waller, October 29, 1935; Interviews with Range Captain John R. Hughes, November 2, 1935; and Miss Nell Witt, November 11, 1935.

¹⁷ McMurtry to King, November 10, 1882, A.G.O.; L. E. Daniel, Personnel Texas State Government, 1887, pp. 104-105; *El Paso Herald*, March 6, 28, 1893.

¹⁸ *El Paso Herald*, February 15, 1902 H. B. Gillett to J. L. Waller, October 29, and November 25, 1935; Interview with Miss Nell Witt, November 11, 1935.

¹⁹ *San Antonio Express*, March 28, 1916.

Changing Concepts in Social Case Work

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Some practitioners within the social work fraternity conclude that the therapeutic goal of case work is repugnant to the administration of public measures for the relief of mass destitution. A summary of the evolution of case work reveals that individualized treatment for the socially and economically maladjusted originated at the expense of the development of public welfare, but that the two are professionally incompatible few would now agree. Preceding the depression many progressive private agencies were attempting to demonstrate the value of case work as a tool divorced from monetary relief. This conception has been fundamentally expanded since private agencies are no longer primarily concerned with the granting of financial assistance. Since public welfare has absorbed many of the former responsibilities of private agencies the need for an individualized approach to many of these problems is apparent. We are interested then in the extent to which modern social therapy, as developed especially under voluntary auspices, is applicable to the public setting.

Although social service today has a distinctly professional flavor as contrasted with the older "charities and corrections", it is difficult to understand its present status, scientific concepts, and theories without some recognition of its historical origin. Prior to the formation of the London Charity Organization Society in 1869 little of what we now label social work was in existence. At that time poor relief was essentially the same in its philosophical approach as it had been three centuries before; the private societies, judged in the light of present knowledge, did not dispense aid according to individual need. Public assistance for the dependent classes consisted of indoor and outdoor relief; and the chief criticism of the system—if such it could be called—was that aid was given without investigation, and there were no means of discovering duplication.

The Charity Organization Movement, with its emphasis upon "investigation," was an early incentive for professional develop-

ment. The Charity Organizers, however, were preceded by an earlier revolt against the methods and assumptions of the English poor law. Philip Klein would ascribe the origin of social case work to Thomas Chalmers (1780-1847), the leader of this revolt.¹ It was in 1822 that this Scottish divine instituted his relief experiment in the parish of St. John in Glasgow without the use of public funds. The poor of the parish were insisting upon the introduction of public poor relief, but Rev. Chalmers convinced the citizenry that the infiltration of money from the public coffers for the relief of destitution would dry up several productive social "fountains" which could be utilized for the care of the needy: (1) the kindness of relatives; (2) the sympathy of the wealthier for the poorer classes; and (3) the sympathy of the poor for one another (which in totality he referred to as the "invisible relief fund").² Rev. Chalmers' organizational scheme was quite simple. The parish was divided into 25 districts, with a deacon in charge who visited and dispensed friendly advice to the poor; material relief being granted only as a last resort.

Despite the fallacious reasoning of Rev. Chalmers, his thinking about the individual condition of the needy was absorbed by Octavia Hill, C. S. Loch, and other, and led, in 1869, to the establishment of the London Charity Organization Society. This society has always viewed the activities of the public social services with tempered suspicion, and a case work approach has never been instituted in the British administration of public welfare.

The lag in the assumption of duties by public welfare agencies in America can likewise be traced to the origins of the Charity Organization Movement. This movement in America, although transplanted bodily from England, arrived during an industrial depression; the economic crisis beginning in the fall of 1873 afforded its starting point.³ Industrial conditions were then in a state of flux; local work shops were giving way to a nation-wide factory system. The increased urban population, with its resulting concentration of social problems, demanded administrative vehicles in order to care for those in need.

¹ *Encyclopedia of the Social Sciences*, Vol. XIV, p. 173.

² Thomas Chalmers, *Christian and Civic Economy* (edited by Charles R. Henderson), p. 190.

³ Cf. Leah H. Feder, *Unemployment Relief in Periods of Depression*, Ch. III.

The first American COS was organized in Buffalo in 1877 where the evils of indiscriminate alms giving were quite pronounced, the overlapping of charity marked, and the citizens convinced that the municipal poor law was essentially wrong.⁴ When Rev. S. Humphreys Gurteen, Associate Rector of St. Paul's Church, returned from a trip to London, where he had been impressed with the mechanics and activities of the London COS, the field was fertile for similar developments in America. A wave of Charity Organization soon rolled across the country, and most of the existing private agencies originated as Charity Organization Societies between 1880 and 1910.

The original demand of these societies, as their name implies, was for organization. The basic plan was not to grant relief—merely to utilize those relief-giving facilities in existence. This method of attack was soon discarded and the majority of the societies became relief-dispensing bodies. In addition they developed the "Theory of Adequate Knowledge"; relief when granted was to be issued only after thorough investigation and in quantities sufficient to maintain the recipient above the "poverty line." "Through the careful and systematic examination of conditions in homes where want is found," reported one COS advocate, "the society develops a series of skilled workers who are as necessary to the poor in their need as a pianotuner to properly tuning a piano that gives out discordant notes."⁵ "Friendly visiting," from which case work finally emerged, was a complement to investigation. Public agencies, however, were not considered within their scope—in fact, they desired to abolish rather than utilize them.

The "investigation" of the early Charity Organization Societies, in the light of modern standards, was such in name only. Actually, many of the early activities of the movement were from a negative approach—registration, suppression of fraud and duplication of relief, as well as investigation. Nevertheless, from the early work of the Charity Organizers modern case treatment resulted. It should be emphasized that the development of the so-called "technological" skills in social work from indiscriminate alms giving was no mean achievement.

⁴ Frank D. Watson, *The Charity Organization Movement in America*, pp. 179-180.

⁵ *Proceedings, National Conference of Charities and Corrections*, 1891, pp. 109-10.

Although Josephine Shaw Lowell spoke of social work as "our science" in 1884, declaring that it was such because of "its well-defined principles, recognized and conformed to . . . by all who really give time and thought to this subject . . .,"⁶ it remained for Mary Richmond to crystallize its concepts into literary form in 1917. In that year *Social Diagnosis*, a volume destined to become Biblical lore for case workers, appeared. This book, which demonstrated a passion for pigeon-holing, is replete with vague socio-economic considerations. The "technique" of case work at the time can be described as particularistic-materialistic; particularistic because of the routine of the diagnostic process, materialistic because of the significance of food, shelter, and clothing as the chief therapeutic implements. Miss Richmond emphatically stated that "the processes which lead up to a social diagnosis and thence to the shaping of a plan for social treatment may be divided into the collection of evidence and the drawing of inferences therefrom. The collection of evidence comes through the social worker's first relations (1) with his client, (2) with the client's family, and (3) with the sources of insight outside the family group."⁷ This rather detailed process leading up to the diagnosis impressed the case workers with the need for ample case histories as a basis for social treatment. The case conference received renewed support as a professional round table and the clients tolerated many an excursion into their homes for the collection of additional social history.

The situational approach to social therapy as evidenced in *Social Diagnosis*, although it remains as ruling case law for many social workers, was soon attacked. America's entrance into the Great War resulted in a rediscovery of Freud's "new" psychiatry and social workers turned toward a new-found Mecca. At the 1919 "National Conference of Social Work" Miss Mary Jarrett eulogized "The Psychiatric Thread Running Through All Social Case Work." Not only was the Freudian concept of "self-determinism in psychic life" additional ballast for afternoon teas, but it likewise offered an analytical rationale to bewildered case workers. Numerous social workers steeped themselves in psychiatric lore and the old "friendly visiting" of the COS days was transformed into "rap-

⁶ Josephine Shaw Lowell, *Public Relief and Private Charity*, p. 179.

⁷ Mary Richmond, *Social Diagnosis*, p. 38.

port, transfer, and identification."

Miss Richmond, consciously or unconsciously, was influenced by these psychological penetrations. *What is Social Case Work?*, first issued in 1922, declared that case work of late years had been converging around one central idea, namely, "toward the development of personality." Sections of the book sound vaguely reminiscent of Freudian psychology. For example, she declared "that at any given time a man's mental make-up is the sum of his natural endowment and his social experiences and contacts up to that time . . ."⁸ Miss Richmond's mathematical approach to case treatment was not completely dimmed. She endeavored to classify the activities of the workers in the various case illustrations,⁹ concluding that the separate chores could be carried out by a non-specialist, and that only in a synthesis of these activities was social case work brought into being. This conception emphasized a belief still prevalent in many areas, namely, that social work is an unwanted child tolerated only because the other professions are not operating at top efficiency. Albeit, Mary Richmond's *What is Social Case Work?* is one of the literary and philosophical landmarks of social work.

As Virginia P. Robinson surveyed the field of social case work in 1930 in a search for "recognized standards, common philosophy, and accepted practices," she was struck with the fact that a great many of the fundamental concepts were of a transitory nature. These differences were operating as a source of irritating insecurity to social workers. The inadequacy of private funds to meet the pressing social obligation of unemployment was augmenting this embarrassment. The fog was cleared and the direction of the goal of case work was delineated in *A Changing Psychology in Social Case Work*. Miss Robinson's thesis was that environmental and social phenomena—the orbit in which the social worker operates—are too complex to be understood in terms of laws. Borrowing heavily from psycho-analysis and the Rankian school of psychiatry, a dramatic revelation was afforded the client-

⁸ Mary Richmond, *What is Social Case Work?*, p. 131.

⁹ "1. Insight into individuality and personal characteristics.

2. Insight into the resources, dangers and influences of the social environment.

3. Direct action of mind upon mind.

4. Indirect action through the social environment." (*Ibid.*, pp. 101-2).

worker relationship. In the diagnostic era when the worker manipulated the environment in light of the social investigation a voluminous case history was conceded a necessity. In many instances this absorption in history merely explained the workers' insecurity in interpreting the present situation. Dr. Robinson's clear picture of case therapy, necessitating a rediscovery of the desires of the client, became the motivating factor in case treatment.

A Changing Psychology in Social Case Work ushered in a new era destined to discover the professional status of social work. The type of case work it exemplified, however, was essentially a handmaiden of psychiatry. Nevertheless, Miss Robinson stoutly denied that she was advocating specialization. Her brand of case work, she insisted, was merely a continuation of the "Milford Conference Report" (*Social Case Work, Generic and Specific*, 1929) advocating a common basis for all social case work.

The professional maturity of case work as an art in its own right can be witnessed in Virginia Robinson's second important contribution, *Supervision in Social Case Work*, which appeared in 1936. Relying upon the "Part-Whole Concept" of Otto Rank, Miss Robinson intended merely to describe the process whereby the personal self of the lay student is transformed into a professional self. This is to be regretted, to a certain extent at least, because it might be considered as indicative of a revival of the "scientific" aspect of case work. The "Part-Whole Concept," as Miss Robinson states, implies that "the process of living may be felt as a movement in search of wholes which break themselves up into parts each of which has power to seek a new whole, which in turn splits up."¹⁰ One could infer therefrom that it will soon be possible to describe social phenomena by means of physical formulas and that case workers will eventually be the agents who apply these devices, although Dr. Robinson had warned us in her previous volume that the very complexity of social phenomena could not be understood in statutory fashion. *Supervision in Social Case Work*, however, is more inclusive than the title indicates; it is a frank portrayal of the professional solidarity of social case work and is of no small importance to the field.

¹⁰ Virginia P. Robinson, *Supervision in Social Case Work*, pp. 9-10.

Considered by many to be "visionary" or "impractical", Virginia Robinson's philosophy has found growing acceptance. If it is carried to its logical conclusion, many critics would hardly concede its application to the 1938 public welfare field. These critics believe that the tempo of case work activity in the busy relief office, where workers are expected to "carry" case loads of several hundred, does not afford an opportunity for the "dynamics of therapy." Many of the legal attributes of public agencies—residence, legal settlement, blanket-size affidavits, verification of age for old age assistance, etc.—are not requisites of "deep therapy." The investigatory-budgetary activity of public agencies might be pictured as a routine chore, similar to the "true therapy" only in that both are dealing with human beings. An acceptance of this point of view would lead not only to specialization but would place a premium upon professional opportunities in the private agency. This would ultimately lower the standards of service rendered the public agency client and would return us to the dilemma of pre-depression years.

Closer scrutiny, however, convinces one that many of these therapeutic principles can be utilized by "mass production" public agencies. Such a thesis demands a reiteration of the belief in generic case work. Undifferentiated¹¹ case loads as now assigned in many public agencies demonstrate the reality of the generic case work theory. Prior to Social Security generic case work agencies were an academic subject—few if any existed. There were agencies only for demonstrating generic case work within a specified setting, such as family welfare, child welfare and psychiatric.

One of the areas in which these therapeutic concepts can be utilized in the public agency is the intake interview. The intake interview serves as a mechanism for introducing the client to the agency. It plays an important role in orienting the client to the agency and the agency to the client, thus having a profound effect upon the client-worker relationship. A skillful approach is required to determine at what points responsibility for proving his

¹¹ By "Undifferentiated" is meant "non-specialized." For example, a public assistance worker who dispenses old age assistance, aid to the blind, and aid to dependent children is such a practitioner. This does not imply that the so-called "differential approach" can not be utilized, for obviously the clients are still individuals.

eligibility can be left entirely with the client and at what points, and in what amount, assistance should be given. This control element in interviewing has been misnamed "dynamic passivity"—actually "a greater control by the worker of his own curiosity and impulse to save."¹²

A "thorough and penetrating" interview is not enough, nor does verbal catharsis alone suffice; it is the discerning skill displayed in recognizing the meaning to the client of his application. This involves two factors: (1) What it is the client actually comes to the agency for other than, or in addition to, relief; and (2) What the act of applying signifies to the client. An example of the first factor is the relief applicant who is seeking employment or the person whose income is ample but is facing insecurity because of the foreclosure of his home and is thus "driven" to apply for relief. The latter refers to the immediate significance of the application to the client—loss of status in the community or in the family group, failure of self or society, loss of self respect, etc.

If we accept the theory that an individual reacts similarly in related situations, a skilled worker is able to secure some information as a basis, during the first interview, for the client's reactions in other life-situations. A client who demonstrates over-dependency, accepting little responsibility for stating his needs, showing his eligibility or planning for relief of this condition, presents for future treatment the possibility for exploration to discover whether or not this is a personality attribute. Likewise, if the client is hostile or over-aggressive, a "lead" is often given to an understanding of him as an individual.

The mere mechanics of the first interview offers an opportunity for the application of therapy. The worker who secures "face sheet" information by routine questioning often nullifies a positive client-worker relationship. An interviewer who retains paramount the client's interest, adapting himself to the client's need, begins a relationship upon which successful case treatment can be built. The necessity of securing identifying data does not demand stereotyped methods. Social treatment does not begin after the collection of innumerable social data; indeed it does begin with the

¹² Gordon Hamilton, "Basic Concepts in Social Case Work," *Proceedings, National Conference of Social Work*, 1937, p. 141.

introduction of the client to the agency. Hence the intake worker needs skills which will enable him to begin treatment on a constructive level.

In the public agency there is an even greater need for a differential approach to case work problems. When the case load is small a relatively large amount of time can be allotted to each case. Because of the heavy public agency loads the worker can spend more than a minimum of time on only a few cases. This demands that he be able to select those cases which most need intensive therapy. The worker who dissipates his time in granting uniform service to a breadwinner temporarily unemployed, a psychotic mother with a brood of ten children, and a technologically displaced worker in need of vocational rehabilitation is not affording "social security" to his clients. Public assistance workers have limited amounts of time to spend not only in social case treatment after they have decided upon which cases to spend it, but also in making the decisions. The worker who lacks skill in securing and interpreting information and traverses the same ground time and time again has no time left for planning and carrying out social treatment. On the other hand, the worker who displays skill in organizing his case load is not only affording good service to the client but is aiding good administration.

One of the controversial questions is whether inadequate relief precludes therapeutic results. Everyone would agree that the "techniques" of case work will not replace bread; nor would we substitute case work for attempts to secure more adequate relief. But we do not wish to relax in the face of inadequate funds and declare that nothing can be accomplished. In spite of the innumerable handicaps that must be overcome the need of many clients for other types of service is still present. Any public agency could give numerous examples of successful service to clients despite generally inadequate relief.

American social work, both private and public, is characterized by an intelligent and humane relationship between the client and worker. The inactive state with its doctrine of "economic trickle", i.e., that the poor can best be served by the wealthy sprinkling their monetary blessings down to them, is rapidly absenting itself from the American scene. Our public assistance program is designated to help those in need because they are a participating

segment of American democracy; to help them to help themselves and to make their period of economic duress bearable. We do not wish to see the program degenerate into a parsimonious dole given out by second-division civil servants in robot-like fashion. Modern concepts in case work, in a limited way perhaps, can assist in an intelligent and individualized approach to the problem.

Social workers have a duty to perform. Adequate performance of such a trust implies competent personnel. It is necessary to face the facts and remember that only "the excellent becomes the permanent." Modern concepts of social case work have a contribution to make, but no miracle can transform a budget clerk endeavoring to handle 300 cases into a competent case worker. The success of the Social Security program depends upon the face-to-face relationship with the client; an obvious implication to the personnel departments of public welfare agencies. "Society is one fabric," advised Mary Richmond, "and when you know the resources of your community both public and private . . . you are able to knit into the pattern of that fabric the threads of your own specialty. There are eddies and flurries, not to say crazes. Disregard them and let your minds carry through to the practical next steps by which social advance is achieved."¹³ Perhaps social work can thus assist in making "life, liberty and the pursuit of happiness" more than documentary blessings.

¹³ Mary Richmond, *The Long View*, p. 615.

The Fight for Civil Service in Texas

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As the tax burden of the next decade cuts deeper and deeper into the family budget; as the government reaches out with multifarious tentacles; as it enlarges its sphere of operation in dozens of new and tantalizing tasks—industrial regulation and labor legislation, slum clearance and housing, soil conservation and crop control, social insurance, public welfare, price control and rationing, and statewide and nationwide planning—"painless" taxes and "patronage" employees will be found grossly inadequate for the task. The tax dollar will have to be stretched, inefficient personnel eliminated, and a new brake will have to be invented for budget makers.

The inevitably resulting popular demand for greater efficiency and more economy in government will be accentuated in the states as the drastic federal tax program siphons an unprecedented share of available revenue from the states into the national budget. As citizens come to weigh the implications which stem from the fact that about one person of every nine (prewar estimate) who are gainfully employed is working for the government, the insistence for efficient personnel in governmental jobs will become intensified. Hence a review of the belatedly accelerated movement for a sound system of recruitment and employment of governmental personnel in Texas seems timely.

The major aspects of this problem have recently been succinctly summarized:

The present political spoils system is a heavy handicap to good government. Texas has no civil service statute, although some of the departments have attempted to set up and apply certain standards and procedures for the employment of personnel. As long, however, as responsible public officials must face an ante-room full of job-seekers each morning; as long as legislators are hounded by constituents to secure state positions for this or that person, and must exert themselves to comb the departments in search of such jobs, the whole state government must suffer accordingly, and officials themselves operate under the cloud of being spoils dispensers . . . The growing army of job hunters, and the almost irresistible intrusion of spoils politics, is reaching alarming proportions in this country and threatens to swamp any

and all officials who attempt to resist it, unless they are supported by adequate laws and well-functioning personnel systems. Political pressure either directly or indirectly is used extensively in job placements and merit, ability, or qualification are often given little consideration. The results are found in intimidated officials, padded payrolls, juggling of personnel, employees contributing to and participating in political campaigns, swap-out on appropriation items, and impaired administration generally.¹

Public employment on the basis of ability is not new in this country. The National Civil Service Reform League was organized in 1879. In 1883 Congress passed the Pendleton Act, the first law in the United States to check the evils of the unmitigated spoils system. In the same year New York enacted a Civil Service Law. No other significant civil service progress was made prior to the turn of the century. In 1905, "Wisconsin and Illinois fell in line, to be followed by Colorado (1907), New Jersey (1908), Ohio (1912), California and Connecticut (1913), Kansas (1915-1916), Maryland (1920), Michigan, Arkansas, Maine, and Tennessee (1937), Alabama, Minnesota, New Mexico, and Rhode Island (1939)."²

While Texas has not joined the ranks of the "civil service" states, "Civil service reform" has been on the agenda of legislatures and party conventions in this state for a quarter of a century. The prevailing view aside, it has faced a formidable barrier in a provision in the state constitution that "the duration of all offices not fixed by this Constitution shall never exceed two years."³ The 254 Texas counties also operate without the presence of a single county civil service commission. In 1929 a law providing for the installation of a civil service commission in Tarrant County and indefinite tenure of appointive officials was declared unconstitutional by an appellate court.⁴ On the same ground, in 1904 a charter provision of the City of Houston requiring that police officers should hold office during good behavior was declared invalid.⁵

¹ Patterson, McAlister and Hester, *State and Local Government in Texas* (1940), p. 124.

² W. E. Mosher and J. D. Kingsley, *Public Personnel Administration* (1941), p. 28.

³ *The Constitution of the State of Texas*, Art. XVI, Sec. 30.

⁴ *Donges v. Beall*, 41 S.W. (2d) 531 (1931), cited by R. W. Cooper, *The Texas Municipal Civil Service* (1936), p. 18.

⁵ *City of Houston v. Mahoney*, 80 S.W. 1142 (1904), cited by Cooper,

The first permanent civil service commission was established in Houston in 1913, and was given complete jurisdiction over a large part of the municipal personnel. Four years later El Paso established a commission whose authority was limited to the fire and police departments; in the same year Galveston adopted a charter amendment placing the fire and police departments under a merit system. Nothing was done to effect the installation of the Galveston system until 1921, when an enabling ordinance was passed. The experiment proved to be shortlived, however, and the ordinance was repealed two years later. Since that time civil service commissions have been established in Fort Worth in 1925, San Antonio and Dallas in 1931, and Waco in 1935.⁶

Civil service practices in Texas cities have recently been described in a thorough and comprehensive manner.⁷ This review is confined primarily to efforts which have aimed at the establishment of a civil service system at the state level.

The delegates to the first state convention of the Democratic party, February, 1948,⁸ set forth in twenty-odd resolutions a comprehensive statement of the basic tenets of their political faith.⁹ In the succeeding ninety-three years more than three hundred platforms have been formulated expressing the views of major parties or of minor political groups. The first specific mention of civil service in a party platform appears in the record of the Democratic State Convention in 1872:

... The civil service of the government has become a mere instrument of partisan tyranny and personal ambition, and an object of selfish greed, and is a scandal and a reproach upon free institutions and breeds and demoralization dangerous to the perpetuity of republican government. We, therefore, regard a thorough reform of civil service as one of the pressing necessities of the hour; that honesty, capacity, and fidelity constitute the only valid claims of public employment; that the offices of the government cease to be a matter of arbitration, favoritism and patronage, and again be a post of honor ...¹⁰

Though party platforms since then have intermittently condemned the spoils and patronage systems, they have been conspicuously inconsistent. The Democratic platform in 1890 stated: "In a free representative government there is no room for any

op. cit., p. 18. For a later decision holding the opposite, see 97 S.W. 2d, 301, cited in Civil Service Assembly News Letter, April, 1937, p. 7. In November, 1940, the Constitution of Texas was amended to permit indefinite tenure for appointive employees of municipalities having civil service laws.

⁶ Cooper, *op. cit.*, p. 19.

⁷ Cooper, *op. cit.*

⁸ E. W. Winkler, *Platforms of Political Parties in Texas* (1916), p. 44.

⁹ *Ibid.*, pp. 44-49.

¹⁰ *Ibid.*, pp. 145-146.

life tenure of any office, and of such tenure is born arbitrary and irresponsible power . . . ”¹¹ Three weeks later the Republicans “echoed” their approval of life tenure for judges.¹²

“Reform” Republicans, in 1892, despairing of the depths to which their party had sunk, rebuked the party in telling language: “. . . we have only to point to the scenes enacted at the late [Republican] convention at the City of Austin, where every semblance of shame was thrown aside and the boasted civil service regulations of our [Federal] government trampled under foot in the unseemly scramble of Federal appointees to secure their own prominence as representatives of the party at the national convention.”¹³

In the same year the Democrats recondemned life tenure in any office.¹⁴ In 1902 however, apparently smarting under the Republican charge of “nepotism,” they included this interesting plank in their platform: “We do not believe in life tenure of office, yet we recognize the value of training and experience and consequently we declare that the dismissal of subordinates without cause, especially to make room for relatives or political adherents, is detrimental to the public service and contrary to sound policy, and recommend correction of such evils.”¹⁵ In 1904 both Republicans and Democrats condemned nepotism, and the Democrats again, in 1906, demanded that nepotism be outlawed.¹⁶

Plank No. 8 of the Democratic platform of 1910, resolved:

“We favor divorcing the management platform of our eleemosynary institutions from political control, to the end that they will not suffer the disturbance of changes in administrations, and we recommend independent boards of control, with tenure of office so arranged as to prevent a complete change of management at any time.”¹⁷

Republicans, Socialists, Democrats, and Progressives through and beyond the progressive era of Wilson agreed in condemning the spoils and patronage system.

¹¹ *Ibid.*, p. 288.

¹² *Ibid.*, p. 291.

¹³ *Ibid.*, p. 304. Here is an 1892 progenitor of the 1939 Hatch Act.

¹⁴ *Ibid.*, p. 319.

¹⁵ *Ibid.*, p. 450.

¹⁶ *Ibid.*, pp. 467, 476 and 494.

¹⁷ *Ibid.*, p. 535.

The 1912 convention of the Democratic party dominated by supporters of Governor Colquitt gave the first unequivocal party endorsement of the civil service. Colquitt is credited with drafting and securing adoption of the platform. Said plank No. 12:

All clerical positions in any of the departments or state institutions should be filled on the test of merit, and the rules of civil service applied to them. The merit system would enable the state to have its work done with fewer clerks and consequently with less expense. There would be no partisan service expected of those holding clerical positions under civil service regulations; neither would the head of a department or institution keep an incompetent person through political influence. The public service would be greatly benefitted, and we recommend that the next legislature enact such a law.¹⁸

Nothing came of this high resolve. No other governor stressed the need for civil service legislation until 1927, when Governor Moody became the staunchest, most persistent advocate of a classified civil service who has ever occupied the governor's office. In his first general message to the Fortieth Legislature, he said:

I believe that those who direct governmental policies should be responsive to public opinion, and that the appointive heads of departments should be subject to change with changing administrations, and that only those whose views are in accord with the prevailing popular will should formulate the policies which are to control the operations of government. This principle, however, does not extend to subordinate employes, and particularly to those places under the government requiring technical knowledge and skill; and I believe that greater efficiency in the administration of government would be insured through the enactment of a classified civil service act which shall protect technical experts and subordinate employes in the service of the State by securing their tenure of office through changing administrations. I . . . urge upon the Legislature the most careful consideration of the subject by them, and that a measure wisely adapted to the conditions and requirements of Texas providing for a classified civil service be adopted.¹⁹

A bill embodying Governor Moody's recommendation was killed in committee.²⁰ Soon after his proclamation calling a special session he mentioned "civil service"²¹ as one of three subjects for legislative consideration. In a vigorous message he urged the enactment of a law to provide for a classified civil service. A bill to provide for "certain civil service examinations."²² passed the House²³ after numerous amendments, one of which gave adminis-

¹⁸ *Ibid.*, p. 582.

¹⁹ H. J., 40th Legislature, R. S., p. 104.

²⁰ *Ibid.*, p. 221.

²¹ H. J., 40th Legislature, 1st C. S., p. 2.

²² *Ibid.*, p. 106.

²³ *Ibid.*, p. 361.

tration of the act to the State Board of Control. The bill was reported favorably from the Senate committee²⁴ but was voted down when it came before the Senate.²⁵

After his reelection in 1928, Governor Moody in his first message to the legislature renewed his recommendation for the adoption of a classified civil service system.²⁶ A bill for this purpose was introduced January, 1929, but failed to pass third reading in the House and never reached the Senate.²⁷ The governor called a Special Session and again urged the passage of civil service legislation, but to no avail. The bill introduced, after being thoroughly debated, was voted down in the House by a vote of 71 to 48.²⁸

Two governors immediately following Moody were silent on civil service. The third, Governor Allred, apparently was converted to the merit principle by the experience of interviewing persons seeking employment for themselves or their friends. In a message to the Forty-sixth Legislature, just before he left the governor's office, he reviewed his time-consuming experience with job applicants whose qualifications he had no means of checking, and recommended the "early passage of legislation requiring civil service in all departments of the State government."²⁹ Though Governor O'Daniel was neither enthusiast nor antagonist, he consistently supported the legislative effort to establish a merit system for the federal-related security agencies in Texas. Since the period of his tenure as governor is inseparable from the period of unprecedented "merit system" pressure from Washington, his contribution will be shown by examining this relationship.

While it is generally true that presidents and governors have led the fight for civil service reform more enthusiastically than have congressmen and legislators, the lack of a civil service system in Texas cannot be attributed to legislative oversight. At almost every session for the last twenty years, one or more civil service bills have been put into the legislative hopper on the initia-

²⁴ S. J. 40th Legislature, 1st C. S., p. 353.

²⁵ *Ibid.*, p. 424.

²⁶ H. J., 41st Legislature, R. S., pp. 30-31.

²⁷ *Ibid.*, p. 602.

²⁸ H. J., 41st Legislature, 1st C. S., p. 92.

²⁹ *Legislative Messages of James V. Allred*, p. 252.

tive of a senator or representative. In the House alone, during the Forty-sixth Legislature (1939-1940), three bills, each to provide a state civil service system, were voted down. Some index to the basis of legislative opposition is afforded by one "friendly" Representative who published his "reason for vote" in the House Journal: "This bill [H. B. 125] makes no provision for examination of present employees and would create a racial problem in choice of applicants."³⁰

What the people of Texas think of civil service is indicated by returns from the nationwide poll taken by the American Institute of Public Opinion in March, 1936 on the question, "Should government positions, except those which have to do with important matters of policy, be given to those who help put their political party in office, or those who receive the highest marks in civil service examinations?" Eighty-eight per cent of those questioned voted in favor of civil service, and twelve per cent in favor of party patronage. The division of the vote in Texas was the same as that for the nation.³¹ A similar demonstration of popular support for the merit system was made in the poll by *Fortune* conducted in April, 1937. But in spite of popular support the Texas legislature remained adamant, unwittingly paving the way for federal intrusion.

The Wagner-Peyser Act ³² (June 1933) which authorized annual grants to the states to assist in the establishment and maintenance of public employment offices, also conferred broad authority on the United States Employment Service to prescribe minimum standards for operation of the state employment offices. A state desiring to receive the benefits of this act was required to submit detailed plans for carrying out the provisions of the act, and the National Director was empowered to reject the plans of any state which did not conform to prescribed standards of efficiency. Thus we have the first instance, in our complex web of federal-state relations, of Congress requiring, wittingly or unwittingly, a positive personnel program in the states. By the

³⁰ H. J., 46th Legislature, R. S., p. 1147.

³¹ Reported in *Civil Service Assembly News Letter*, April, 1936, pp. 1-3.

³² *United States Statutes at Large*, Vol. 48, Part I, pp. 115-16.

spring of 1934, eighteen of the twenty-four states then affiliated with the United States Employment Service had accepted the system of examinations for their personnel, which had been worked out by the federal service.³³

In August, 1935, Congress passed the Social Security Act designed to stimulate and promote action by the states in accordance with certain "minimum standards" to be prescribed by the Social Security Board. Congress refused to include in the act the provision recommended by the committee which drafted the bill requiring a merit system in state administration of unemployment compensation. Under each title of the Social Security Act it was provided that each state "must . . . provide such methods of administration (other than those relating to selection, tenure of office, and compensation of personnel) as are found by the Board to be necessary for the efficient operation of the plan . . ."³⁴ The Board "never accepted" the congressional limitation but resorted to devious ways to force the state social security agencies to set up personnel systems. By the end of 1939 about three-fourths of the states had merit systems in their social security agencies, whereas only sixteen states had statewide merit systems.³⁵

The Texas Old-Age Assistance Law became effective February 14, 1936. Soon thereafter, at the suggestion of the Federal Bureau of Public Assistance, the investigators were given examinations. Approximately one-third of them failed. In September, 1936. The House authorized a "whole House" investigation of the Old-Age Assistance. During the investigation the House was told directly by the National Director of Social Security: "We cannot require you legally to put in a merit system. We can require an 'efficient' system or cut off your federal aid."³⁶

On August 10, 1939, Congress amended the Social Security Act to read as follows: "A State plan for Old-Age Assistance [and other Titles of the Act] . . . must . . . provide such methods of

³³ William H. Stead, *Social Security* (1935), p. 189; quoted by Paul H. Douglas, *Social Security in the United States* (1939), p. 211.

³⁴ *United States Statutes at Large*, Vol. 49, Part I, pp. 620ff.

³⁵ *Civil Service Assembly of the United States and Canada*, Pamphlet No. 16 (July 1940), pp. 34-37.

³⁶ The full proceedings of this investigation may be found in the H.J., 44th Legislature, 3rd C.S., pp. 149-213.

administration (including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis . . .) as are found by the Board to be necessary for the proper and efficient operation of the plan."³⁷ for the first time Congress had told the states they must do something about personnel. Forthwith (November 1, 1939) the Technical Advisory Service of the Social Security Board drafted a "rule" and formulated "standards for a merit system of personnel administration" to be used as a guide by state social security agencies in the establishment and maintenance of merit systems. This rule recommended that in each state a Merit System Council of three members appointed through joint action of the state social security agencies, should select and recommend for appointment by the state agencies a Merit System Supervisor.

On December 9, 1939, in response to a joint request of the State Department of Public Welfare and the Texas Unemployment Compensation Commission, the Attorney General of Texas advised these two agencies that they could not, in the absence of statutory authority, create a merit system of personnel administration by mutual agreement.³⁸ On January 12, 1940, he further ruled that the State Department of Public Welfare was without authority to establish by rule and regulation such a Merit System Council as is required by the "minimum standards" of the Social Security Board.³⁹ The issue—states' rights v. federal standards—was clearly drawn.

On December 4, 1940, the State Department of Public Welfare and the Texas Unemployment Compensation Commission were advised by the Federal Social Security Board that unless a Merit System Council were appointed and a merit system of personnel administration put into effect immediately, no further funds would be granted Texas for the payment of old age pensions or for the operation of the Texas Unemployment Compensation Commission. The Social Security Board vetoed the idea of two merit councils, but offered to pay the expense of a merit council for the TUCC, until the legislature met and authorized the creation of a joint

³⁷ *United States Statutes at Large*, Vol. 53, Part II, p. 1378.

³⁸ *Attorney General's Opinion*, No. 0-1752.

³⁹ *Attorney General's Opinion*, No. 0-1818.

merit council, if the State Department of Public Welfare would agree to use the registers of eligible persons for employment under the merit system of the TUCC.⁴⁰ (This working arrangement prevails at the present time, December, 1942.)

The TUCC, on December 9, 1940, appointed a Merit System Council,⁴¹ and on the same day the State Department of Public welfare passed a resolution requesting the TUCC's Merit Council to perform all of the duties that a merit council of their own would perform if they had one, and agreeing to use the registers established by the TUCC's Merit Council in hiring employes in the future. The Federal Social Security Board withheld a payment of funds for old age pensions for some three weeks while all the details for this agreement were worked out.⁴²

But importunities of the governor and threatened loss of federal aid did not budge the Forty-seventh Legislature (January-July, 1941) which made its customary scatter-load attack on the problem by introducing a half dozen civil service bills. One of these (H. B. 454) which had the approval of the Federal Social Security Board, and the support of the governor, passed the House⁴³ without a dissenting vote, but met sudden death in the Senate.⁴⁴ Perhaps the most informative picture of the anti-merit system sentiment in the legislature is reflected in the report of the House Investigating Committee created to investigate the administration of Old-Age Assistance which concluded: "If this Department [Public Welfare] is not hold in check by the Legislature, such a merit

⁴⁰ This whole controversy is reviewed in a message from Governor O'Daniel urging passage of H.B. 454. See S. J., 47th Legislature, R. S., pp. 1142-1144.

⁴¹ The TUCC had previously appointed a Merit System Council only to see it dissolved when the Attorney General ruled that one of its members could not get his expenses while holding another position of honor or trust (a professorship at A. & M. College) under the State. See *Attorney General's Opinion*, No. 0-2601.

In appointing the second Council, the TUCC, acting through the governor, requested the presidents of Texas Technological College, Texas Agricultural and Mechanical College, and The University of Texas to recommend three eligible persons. Thus were M. J. Norrell, Public Relations Director of Magnolia Petroleum Company, Raymond C. Gee, Vice-President of Fort Worth National Bank, and Dr. Monroe S. Carroll, Chairman of the School of Business Administration, Baylor University, appointed.

⁴² See footnote 40, above.

⁴³ H. J., 47th Legislature, R. S., p. 2894.

⁴⁴ S. J., 47th Legislature, R. S., p. 1386.

system will be adopted that this Department will be above the Legislature, and the Legislature will not have the control of such Department, and there will grow up a branch of the government which will be above the people and this Legislature."⁴⁵

With characteristic tenacity the Forty-seventh Legislature, First Called Session (September, 1941), adopted a resolution memorializing Congress to repeal the "merit system" amendment to the Social Security Act, and to permit the State of Texas to in all things manage and control its own departments . . . ⁴⁶ Another abortive effort was made during this Called Session, when the House adopted a "concurrent" resolution (never adopted by the Senate), instructing the State Department of Public Welfare to "cover in and exempt from the Merit System examinations . . . all present employes who are now rendering satisfactory service to the . . . Department."⁴⁷ One Representative said that "he had talked with several Texas Congressmen and they confessed ignorance of having passed the [merit system] legislation."⁴⁸

Meanwhile, January 1941, the Merit System Council nominated, and the TUCC appointed, a Merit System Supervisor.⁴⁹ Permanent headquarters have been established at Austin and the program is in full operation. The first examinations (Series A), covering twenty-four classifications (ranging from Junior Clerk to Supervising Tabulating Equipment Operator), were given in June, 1941. Of approximately 28,000 applicants filing, 19,345 were found to be eligible for the examinations. Of these as is usually the case, a sizeable number did not take the examinations. In the end, 7,858 applicants⁵⁰ passed their respective examinations and were placed on the registers, in the order of their grade rank, to be called as needed by the TUCC, including the Texas State Employ-

⁴⁵ H. J., 47th Legislature, R. S., p. 1420. See also footnote 36, above.

⁴⁶ H. J., 47th Legislature, 1st C. S., p. 92.

⁴⁷ *Ibid.*, p. 197. See also Alonzo Wasson, "State Adopts Civil Service, but Painfully," *Dallas News*, October 5, 1941.

⁴⁸ *Daily Texan*, September 17, 1941.

⁴⁹ Dr. Joseph U. Yarborough, Professor of Psychology, Southern Methodist University.

⁵⁰ This number includes duplications, as many of the applicants take more than one examination.

ment Service.⁵¹ In October, 1941, an examination (Series B) was given for the Department of Public Welfare. This examination covered ten classifications with salary ranges from \$150 to \$300 per month.

Obviously different jobs require different types of examinations. A stenographer is rated on training and experience (20), a written examination (40), and a performance test (40); a field worker is rated on training and experience (40), a written examination (30), and an oral interview (30). In order to qualify for a position, an applicant must make a score of 70 or above on each part of the examination. Appointments are probationary, usually for six months, and employees whose work is not satisfactory are dropped from the payroll.

By the end of November, 1942, eight series of examinations had been given, 55,002 applications had been received, and 44,137 examinations administered . . . Ready for certification to the state departments that receive employees through the system were 8,400 names."⁵² Culminating the merit system's first two years of operation, an examination for the single position of Administrative Supervisor of the Merit System Council, which position was originally filled by appointment, was given December 1, 1942. A special board, consisting of the members of the Merit System Council and Vice-President Burdine of The University of Texas, conducted the examination.

Thus has Texas joined with forty-seven other states in putting her state social security agencies on a merit basis. It is nowhere contended that the merit rating system is an infallible method of filling public jobs or of preventing agencies from being overstaffed. That it is better than the political spoils system is hardly debatable. So long as its operating cost is not excessive, and so long as it continues to perform its primary function expeditiously, it is not too much to expect that an increasing popular support for the merit system "islands" in Texas will insulate them against unwarranted political interference, and that their efficiency will prove contagious among other state departments.

⁵¹ On December 31, 1941, the Employment Service (in all states) was taken over by the federal government. Registers of eligible employees, however, which had been set up for the Texas Employment Service were used by the Employment Service under federal management.

⁵² *San Antonio Express*, December 10, 1942, p. 5.

The Economics of Compulsory Savings

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Discussion¹ of and proposals² for the institution of compulsory savings have received a new impetus since the Chancellor of the Exchequer of the United Kingdom, Sir Kingsley Wood, took over the long advocated program of Mr. John Maynard Keynes to supplement increasing war taxation by special levies to be returned after the war.

Two types of compulsory savings are envisaged at present in Great Britain.³ (1) It is proposed that the individual income tax exemption be lowered. The additional income tax which any individual will pay as a result of reduction in personal and earned income allowance will be credited to the taxpayer in a post office savings bank and returned to him after the war. It should be noted that this compulsory savings is imposed alongside of an income tax the rate of which is to be increased by 50 per cent at the time of the application of compulsory savings. In the upper brackets this would amount to a tax of sh. 19/6 in the pound on a large part of a given income. (2) There is imposed upon industry a 100 per cent excess profits tax, 20 per cent of the net of which will be refunded after the war.

To comment briefly upon some technical problems involved: if we assume for the moment the need for a general restriction of purchasing power, it is doubtful whether compulsory savings alone would effectuate such a result. Rather, it can be assumed that the compulsory savings would be offset by dissaving of ordinary and previous savings though it would be premature to discuss at this moment any quantitative relations between the two. The following aspects may have to be considered: By the higher income brackets only would compulsory savings be paid out of current income. The lower and middle income groups might counter-

¹ Alvin H. Hansen, "Defense Financing and Inflation Potentialities," *Review of Economic Statistics*, Vol. 23, Feb. 1941, No. 1, p. 6.

² Cf., e.g., mimeographed statement of March 7, 1941 by Dr. A. G. Hart and others "The Flexible Tax Proposal."

³ *The Wall Street Journal*, April 8, 1941.

balance their new forced savings by dissaving past savings. The fund from which these dissavings would be drawn would probably consist of (a) cash in the hands of savings institutions and savings departments of commercial banks. Since liquidity ratio is at the present time extraordinarily high, the funds available here might well be increased by (b) decreasing the loans being made, e.g., for private housing. Furthermore, (c) current savings may be utilized for dissaving demands, although these will certainly tend to be lower because of increased taxation, compulsory savings, and investment in government bonds by individual savers themselves. Only then (d) might savings institutions begin to liquidate their own investments, i.e., exchange one type of savers for another. Even then it might well be possible that savings institutions would first dispose of government bonds to individual savers or more liquid institutions which otherwise might have bought new government issues. It might well be that no additional restriction in purchasing power would result. Particularly would this be the case if the taxpayers were in position to rationalize that they were only changing the form of their savings but not actually dissaving. The program would thus have to be supplemented by legislation freezing previously saved funds. Machinery would have then to be set up to grant permission for the use of both types of savings in case of need.

We may mention here also a "psychological effect" that Mr. Keynes is assuming, namely that the sense of security of the compulsory savers is increased and that "by giving some slight claim on the future resources of the country, they are put in the position a little nearer to that of other classes." This hoped for psychological reaction on the part of the public is likely to be counteracted, if not paralyzed, by their considering the levy a tax rather than a saving.

The administrative problems involved in the operation of compulsory savings are not being discussed here for it is admitted that the difficulties and relative cost would not be prohibitive.

Compulsory saving for individual income receivers as a financial device to be used in times of an all-out production for war or defense purposes, as proposed by John Maynard Keynes, was explicitly based on a number of assumptions. Among them are: (a) The war or defense effort would utilize all existing and poten-

tial economic resources, i.e., that the national economy would work at approximately full employment, and (b) that the war or defense effort would result in a considerable increase of income to labor.

Assumptions made with regard to the spending of these compulsory savings will be discussed further.

Concerning the assumption made under (a) above, there can be little doubt that the British economy is working at the present time at a maximum rate, i.e., *de facto* full employment. But it should be borne in mind that this *de facto* full employment is co-existent with a certain amount of unemployment and non-utilization of some existing resources. The reason for this state of affairs is to be found in the element of time involved, i.e., in the fact that the tempo of the war has not provided the time necessary for the production of facilities to put the available workers to work; or to train the available workers in those skills for which there is a demand; or to transform existing production facilities from a previous and discontinued civilian use to needed military use.

Though in the United States the situation is markedly different in several respects the element of time, all important to English war production, is growing also in importance for the American economy. The capacity of the United States with regard to the production of consumer goods was far from being fully utilized at the time of the initiation of the defense program in this country. While in certain spots full employment has been reached, no such condition exists with regard to the consumer goods industries. Even in those industrial materials-producing industries where bottlenecks have occurred, considerable programs for plant expansion are underway and will become effective within the next two years.

While it is recognized that certain bottlenecks in particular lines of production may develop, no general shortage is in sight. To justify, however, a general restriction of purchasing power, a general bottleneck in the production of consumer goods must prevail. If it does not, the institution of a general purchasing power restriction can result only in additional disturbances for the economy.

Compulsory savings are, however, devised for the purpose of

restricting consumer purchasing power. To say that they offer a means to broaden the financial basis for financing the war or the defense program means only to affirm that the existing productive system is of such nature that it does not allow for an expansion of capacity to take care of the additional needs for goods created by such exigencies. When we state the proposition in this way, it becomes clear that another consideration is involved. Will it assist the economy by smoothing the adjustment in the post-war period to impose the additional needs for military production on the ordinary and customary production for civilian needs; or would it have been advisable to curtail the latter?

A second consideration would be whether the volume of war or defense production achievable for the whole emergency period would be large or smaller (1) if it were imposed on existing production, or (2) if civilian production, at least in part, were sacrificed. The first point will be discussed at length below. With regard to the second, the war preparation of Germany might shed some interesting light, if we may assume that the present war and with it the defense preparations of this country will continue for a considerable period, say three or four years. For the first two or three years Germany seems to have concentrated exclusively upon production for military purposes, sacrificing and restricting severely its consumer goods production. Figures available are as follows:

YEARLY INCREASE IN PRODUCTION IN PER CENT

Period	Capital Goods	Consumption Goods
1932-33	17.5	6.1
1933-34	43.8	11.7
1934-35	28.8	-1.7
1935-36	13.6	7.1
1936-37	11.6	5.4
1937-38	7.9	4.9

After 1937, a radical change in policy seems to have occurred. In the first quarter of 1938, the 9.7 per cent increase in consumer goods production approximated the 10.0 per cent increase in expenditures for capital good (which latter seem to include military expenditures). According to E. Wagemann in his *Weekly Reports of the Institute of Business Cycle Research*,⁵ Germany realized

⁵ *Weekly Report of the German Institute of Business Cycle Research*, August 11, 1939, Vol. XII, No. 31-32.

at that time the danger of an insufficient supply of consumer goods to a people engaged and to be engaged in an effort of military nature. The maintenance of the morale of the people, as well as the provision for the physical necessities of individuals occupied with the war production or the carrying on of the war, was made an inherent part of the war economic program.

An additional point can be made to the effect that if we are engaged in a long drawn out military activity and if it is possible, as a general proposition, to utilize facilities for civilian production for military production, it would be good war-economic strategy for many reasons to postpone the utilization of civilian productive resources to the latest possible moment rather than to deplete this reservoir at an early stage, and by so doing endanger the morale of the wage earners at an early time. Though this proposition is delimited by the time factor as mentioned above, it is particularly relevant, i.e., to an economy with a considerable amount of still unused economic factors.

To summarize: the maximum of the defense or war effort should not be considered a static quantity. Compulsory savings, as any general consumer restriction policy, may prove harmful to the defense or war effort, at least under the conditions analyzed so far.

The assumption made under (b) above faces similar difficulties. In case (a) mentioned previously of defense or war production imposed upon a more or less fully employed peacetime economy, the consequences with regard to increase in employment and income seem clear. New employment can be generated only in a limited way by drawing on resources not ordinarily considered available for employment. Furthermore, this new employment, tends to be greatly modified by the number of workers inducted into an army at war strength. New employment will be in addition, more than balanced by new unemployment created in civilian industries, not to mention that consequent on increased productivity in the basic industries. Notable increases in income can thus result mainly from a rise in wages. It may be profitable to follow the implications of such a wage increase under the stated conditions before we consider the situation as it actually exists. Wages did rise during the last World War and it has been maintained that the high level of wage income contributed greatly to the relative ease of post-war readjustment by pro-

viding the purchasing power stimulus that industry needed in order to get civilian production again under way.⁶ It is reasoned today by way of analogy that in the period following this war a level of wages high compared to the one at the outset of the emergency period would have a salutary effect on post-war production if the impact of rising wages during the actual emergency period of war or defense is reduced by absorbing the increases in the form of taxes⁷ and compulsory savings.

A fundamental difference between the present situation and the one prevailing during the last World War is found, however, in the fact that now not only are concrete employment resources in existence but new ones are also being generated as the emergency progresses. It can no longer be maintained that existing unemployment will actually be absorbed by the defense production. It is quite possible that in spite of contrary opinions the peak of the war or defense effort will still find us with a considerable amount of unemployment created on the one hand by increasing efficiency in production and on the other hand by unemployment in civilian goods industries which will lack vital materials if we should not succeed in adequate plant expansion in industries producing these materials.

There can be little doubt as to the right of labor to equal treatment compared with industry and agriculture in a period of national emergency. If net profits rise in defense industries as they have risen during the first year and a half of the emergency, wages should rise for economic reasons quite aside from reasons of national morale. Furthermore, only a part of the total labor force is engaged in defense production. This part will grow at the expense of the labor force employed in civilian production only to the extent that either a real labor shortage develops or persisting bottlenecks in the production of industrial materials arise. If neither of these conditions exist, wage increases will affect at first and mainly industries engaged in war work, where even if they spread they can be paid out of the increased net profits.

⁶ This salutary effect presupposes, however, a preceding fall in prices after the ending of the war.

⁷ I.e., taxes that could relatively easily be revoked at the end of the emergency period, e.g., a general manufacturing sales tax, or compulsory savings.

The case for increasing wages depends so far upon the pre-existence of increased net profits. If industry is taxed to reduce the net profits to "normal" profits, the case for increased wages in a war economy will rest on the alleviating effect of high wages in the post-war period, which will in turn, depend on a relatively low level of prices in that period. This statement, of course does not exclude the possibility of wage adjustments for other reasons.

A few remarks may be in point here on some other aspects of increasing profits in the present period. Much has been said about the unwillingness of private capital to invest at the present time. There can be little controversy that the present entrepreneurial expectations are not conducive to long range investment. Notable exceptions to the general tendency⁸ are not enough to offset it and to counteract the actual accumulation of 'idle' funds. It is these funds that in the first place have to be utilized for the financing of the war, either directly through borrowing or indirectly through the issuing of greenbacks if taxation should be deemed impolitic. The limitation to the use of these funds in this case as well as in the previously mentioned ones is set by the availability of economic factors that can be put to work with the help of these funds. To repeat at this moment again the main contention: Only if unemployed or underemployed economic factors of the kinds needed in war industries are no longer available and if, therefore, civilian production has to be curtailed, are consumer restrictive measures in point. Even in the latter case, the particular nature of the economic conditions prevailing in this country will demand restrictions in particular types of production rather than general restrictions of purchasing power, as the latter could result only in undesirable increases in unemployment.

The desirability of using the device of compulsory savings rather than outright taxation has been justified also because of the salutary effect that the spending of these savings will have in the post-war period. It has been commonly assumed that methodologically the economics of war must be considered a mere extension of the economics of peace. There was justification for such an assumption when full employment of economic resources in peacetime made it necessary to curtail civilian output to the extent

⁸ Even these, however, could be shown to have financed their "investments" out of the depreciation charges rather than out of new capital resources.

that military production was required. The economic apparatus in the post-war period was thus faced with lagging consumer purchasing power on the one hand and a deteriorated civilian plant on the other. On the basis of these circumstances, the position can be defended that purchasing power available in that period would do much to stimulate production with the effect that new investment would be induced and by production of capital goods generate new purchasing power. It is accepted in such reasoning that the admitted initial disproportionality between demand and supply would not result in runaway prices because of a government regulated staggering of the amounts of compulsory savings to be released at any one time. This latter point is discussed further below.

The actual circumstances prevailing at that time, at least as far as this country is concerned, may be, however, quite different from the assumptions contained in the above reasoning. Government spokesmen have publicly stated in the past that it is desirable to prevent an unnecessary decrease in the level of living. It was maintained that the post-depression situation in this country, with considerable amounts of labor, plant, and material resources available, is making it possible to provide to a considerable extent for defense and war requirements in addition to rather than at the cost of the previously prevailing civilian production.⁹ The difference between this situation and one of relatively full employment is illustrated by the trend shown by the index of industrial production of Great Britain during the first World War, which fell from 100 for 1913 to 79 for 1918. This fall includes a drop to 70.9 in the consumer goods industry and to 87.0 in the producer goods industry. While there is no breakdown between consumer, goods and producer goods industries available for the index of industrial production in this country at the present time, it can be assumed safely that the present increase includes also some increase in consumer goods production.

On the basis of these conditions what problems do we have to expect in the post-war period? If we summarize the above-given conditions we can say that we may have a civilian production apparatus with a volume of output approximating the present out-

⁹ With the exception of a few though important critical raw material consuming civilian industries.

put. Disregarding at the moment the problem of lifting the standard of living for the lower third of the population, this output will provide income for those people employed in civilian production (at that level of activity), and goods for the maintenance of the whole nation at the present, and, as we assume for the moment, at the then prevailing levels of living. Compulsory saving, if introduced, would provide at that time an additional fund for the people engaged in production; but not, for instance, for those absorbed at present by the armed forces who might be unemployed in the post-war period. It never has been intended to keep these people unemployed. On the contrary, plans are being drawn at the present time to provide for large scale public works to employ demobilized soldiers as well as those previously engaged in war production. If they are thus employed, they do receive income and are not forced to utilize their compulsory savings to supplement their purchasing power, which they will probably not wish to do especially if the compulsory savings have been substituted for previously accumulated ordinary savings. It has been pointed out, however, that a considerable number of unemployed individuals may still be present at the peak of the war effort, and thus also in the post-war period. These people will have no savings, compulsorily set aside, available for purchasing power. The only solution for them is to be employed in public works. Industry, on the other hand, as has been said, is providing already the volume of goods needed on the basis of this purchasing power and healthy expansion beyond this point should be stimulated not by a fictitious and non-recurring purchasing power, but only by that which is generated either by income payments of industry itself, or by recurring government payments for public works.

It is from this point of view that the non-Keynesian feature of the present British compulsory savings plan of allowing 20 per cent of the 100 per cent excess profits tax be set aside as compulsory savings seems to fall short of its avowed aim. While on the one hand expansion of industry under assumedly normal conditions should be a function of actually existing demand, it certainly cannot be maintained, on the other hand, that one of the serious handicaps of industry in the post-war period is going to be a shortage of available capital. Neither the experiences after the last war nor the present trend in industrial savings and in-

vestments seems to justify such fear.

From the point of view of the consumer, it becomes clear that, even under conditions of initial full employment as mentioned first above the stimulus to industry, created by a purchasing power generated by industry and government and supplemented by compulsory savings, can be achieved only if a trend of increasing prices develops. To the extent, however, that prices rise the consumer is likely to be deprived of a considerable part of his income.¹⁰ To those in a position to accumulate compulsory savings, such post-war inflation, even if controlled, would appear only as governmental hypocrisy.

Little has been said so far about the method of financing the release of the compulsory savings. A general capital levy upon industry has been mentioned. To industry, this would mean only that its own compulsory savings and probably more than that amount are taken over by the government. Such procedure would certainly invalidate the argument of Sir Kingsley that these savings are intended to finance industry itself. This and other possible objections do not show that the financing of post-war readjustment is impossible. They indicate only that the arguments advanced in support of compulsory savings are open to grave doubts even with regard to anticipated post-war benefits.

¹⁰ The argument against the institution of compulsory savings does not, *e contrario*, support an argument for any increased taxation. It should be clear from the discussion above that any device employed for the purpose of bringing about a serious and *general* restriction of consumer purchasing power at the present time and on the basis of the conditions stated is considered to react unfavorably upon the economy.

The Economic Essentials of a Lasting Peace

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In these days many people regard the idea of a lasting peace with cynicism. Only twenty-five years ago we entered what was to have been a war to end war, and war has been smouldering ever since. Now that it has broken out again into a conflagration even greater than that of twenty-five years ago how can we delude ourselves any longer with such fatuous slogans? History reveals that armed conflict between organized communities has been endemic throughout all civilisation. Can we expect to alter a condition which has persisted since the beginning of time?

This way of thinking contains an important truth which we must therefore face, but it also contains an even greater falsehood. We know that primitive tribesmen fought each other in tropical jungles and across arctic tundras, but what shall we infer from this? Shall we conclude that an effective league of nations is therefore an impossibility? Somehow this conclusion seems a bit remote from its major premise. Men have fought throughout the ages, but not always for the same reasons. Even the historians designate a certain period as that, for example, of dynastic wars, and another as that of religious wars. In a changing world dynasties have assumed somewhat less importance than formerly. No one, so far as I know, has designated the first world war as a struggle between the Hohenzollerns and the Windsors. The separation of church and state is not yet complete and final throughout the world, but I think we would all agree that sectarian interests play a minor role in the present struggles. No doubt it is impossible that any resolution of the present conflict could be conceived which would eliminate all occasion for armed conflict throughout an indefinite future; but as history itself shows it is not impossible that the occasion of the present conflict should be known and effectively removed so that struggles such as the one now going on should never be repeated.

Obviously this cannot be done without something being changed. To want to eat one's cake and have it too is a universal human

failing. There is scarcely anyone who would not like to see a league of nations brought into existence with powers adequate to prevent war, provided this could be done without detriment to the sovereign powers of the constituent nations, in particular our own; and similarly there is scarcely anyone who would not like to see poverty abolished if this could be done without detriment to the advantages of wealth. That is why so much high-minded discussion of the causes of war is so unrealistic. It is confined to the relations between the nations. We are prepared to improve international relations insofar as it can be done without alteration of that which is related.

Among economists there has been a great deal of discussion in recent years of that system of relations which is known as international trade. It is generally agreed that something needs to be done about tariffs and subsidies and dumping, about monetary standards and exchange rates, about migrations of capital and population, about colonies and raw material supplies. Many proposals have been made along these lines which are wholly admirable so far as they go. The trouble with them is that, like most of our thinking about war, they remain stationary. Tariffs, dumping, exchange manipulation, raw material control, and the like, are instruments of economic warfare. The elimination of any particular set of economic weapons is in effect economic disarmament, just as effective and just as ineffective as military and naval disarmament. It means that by agreement between admirals a few battleships are scrapped—probably obsolete ones. So long as the high contracting parties remain unchanged even to their admirals, we know what to expect. Tariffs, exchange rates, and the like, are the economic weapons of the national economies which prevail throughout our present state of grace. So long as these national economies persist substantially unchanged, the causes, economic and otherwise, which have brought the nations into conflict will also continue substantially unchanged. It was not a tax on tea which brought about the War of American Independence; that war was the culmination of a conflict of interests of which the tax on tea was a very minor expression.

What is the conflict of interests by which the modern nations are so powerfully driven? According to common belief the answer

to this question is: national economic advantage. It is still commonly supposed that a nation can exact some sort of national advantage from another nation by force of economic and military arms, and what a sad commentary this seems to be on the power of ideas! For if there is anything which can be regarded as positively, definitely, and finally known in the whole field of economics, it is that one nation cannot possibly profit at the expense of another. That one nation can injure another no one doubts. But the supposition that the victor can profit by the injuries inflicted on the vanquished is the great illusion of international relations. The phrase is, of course, Sir Norman Angell's. Thirty-eight years ago he used it as the title of one of the most celebrated books of modern times. But the idea did not originate with him. In his *Inquiry into the Nature and Causes of the Wealth of Nations* Adam Smith argued at great length that Britain "derives nothing but loss from the dominion which she assumes over her colonies," and urged that she "should voluntarily give up all authority over her colonies . . ." In 1793 Jeremy Bentham addressed a memorandum to the National Convention of France "showing the uselessness and mischievousness of distant dependencies." Not only have the arguments of these writers never been refuted; they have been shared and repeated by leading thinkers in every generation throughout modern times.

Why, then, does the illusion of national economic advantage still prevail? There is an obvious answer to this question. No one has ever denied that somebody may profit out of even the most terrible disaster. I am told that a great fortune was founded on the destruction of Galveston by the tidal wave of 1900. It is even said that some people are making money right now. Some writers have therefore argued that it is special interests which provoke wars. The general interest may be an illusion, but it is an illusion extremely profitable to special interests. In *The Theory of Business Enterprise*, for example, Veblen argued that the gains of businessmen are commensurate to the magnitude of the disturbances they are able to create, and since war is by far the greatest disturbance of the peace his *Enquiry into the Nature of Peace and the Terms of its Perpetuation* treats war as an adventure in which some members of the community—dynastic rulers and their

retinues, ruling classes and their parasites, and of course the affiliated or accessory business interests—stand to gain at the expense of the rest of the community both victor and vanquished. This view is expressed in even more extreme and simple form by such writers as Lenin, for example in his little essay on *Imperialism*.

But no one should suppose that the idea of special interests is held only by extremists. Adam Smith denounced conquest with bitter irony as "... a very dazzling object to fight for" if properly presented "to the undiscerning eye of giddy ambition," and "amidst the confused scramble of politics and war"; but he was no less ironical in his recognition of the success of certain special interests "in persuading the legislature that the prosperity of the nation depended upon the success and extension of their particular business." He advocated the immediate relinquishment of conquests as "more advantageous to the great body of the people, though less so to the merchants..." Nor was his a lonely voice. In his own generation Edmund Burke, the founder of British conservatism, denounced colonial policy in America and India as calculated to maintain those regions as private hunting preserves for the younger sons of the ruling classes. In the next generation James Mill described colonies as "a vast system of outdoor relief for the upper classes." And so it goes. Not only have these opinions never been refuted; like the recognition of the great illusion, they may be said to be shared by every serious student of economics throughout modern times. If anything in the field of economics may be said to be known beyond peradventure of a doubt, it is that the advantages which accrue from conquest are limited to special interests.

In recent years a considerable pother has arisen over the very obvious advantages which accrue to munitions makers. In the enthusiasm of their denunciation of the so-called "merchants of death," some writers have even gone so far as to suggest that wars would cease if no one made a profit out of guns and battle-ships. This suggestion is of course fantastic. Though it may be true, as the extremists declare, that these disorders would cease if no one made a profit out of anything, it is impossible to believe that the sole cause of war is the intrigues of munitioneers. One prescription is as ineffective as the other is excessive. One

proposes to cure the patient by cauterizing the superficial rash, the other proposes to eliminate the disease by exterminating the patient. Surely the true cause of war lies somewhere between the gunsmith and the whole economic structure of society. Doubtless it lies deeper than the munitions industry. Doubtless it is indeed a defect of the economic structure of society. The question is, what is that defect? What is wrong with the capitalist system? What is the force by which the industrial peoples are continually and, it seems, inexorably pushed into wars from which they can hope to gain nothing? Why are these peoples—the best educated the world has ever known and the most conscious of their own mass power—so egregiously deceived? By what idea can their minds be gripped so powerfully as to counteract all these disillusionments?

In their economic motivation the wars of modern times are indeed curious. In spite of a great deal of incidental looting, loot is not their object, nor control of "essential" raw materials. Military control of the source of an essential raw material is derivative from war, not the cause of war. In modern war the disturbers of the peace have been the great industrial powers. The struggle has been between these powers, and it has been a struggle not for loot but for markets. In effect the great industrial powers of the modern world have been fighting for centuries over the privilege of shipping goods and lending money to the less highly industrialized peoples. Opinions have always differed as to what it means, but the fact that the struggle is a struggle for markets has been common knowledge for a very long time. Long before Adam Smith the mercantilists were arguing that England's treasure lay in foreign trade. Historians all agree that it was not the riches of Bushmen for which the great powers partitioned Africa in the years just preceding World War I; it was for the privilege of endowing them with trousers and Mother Hubbards, with railways and hydro-electric projects.

Here is a third proposition which is known as surely as anything in economics is ever known: the bone of contention in the modern world is not loot but export trade. The sole remaining question is what this means. Why must the great industrial powers export goods and capital—in the words of Hitler, "Export or die"? Ac-

According to Adam Smith, international trade is advantageous because it permits its participants to profit through the economics of regional division of labor. No one has ever doubted that regional specialization is desirable and profitable. But it certainly is not a categorical imperative.

"Export!" is the categorical imperative of capitalism and the basic economic cause of modern war because the chronic disease of capitalism is overproduction: overproduction of goods and over-accumulation of capital funds. This is the condition which has prevailed in all the leading industrial powers throughout modern times. Under capitalism more goods are produced than can be profitably sold and more money is accumulated than can be profitably invested. Consequently each of the capitalist powers has been faced with the alternative either of effecting a fundamental change in the system of distribution of goods and funds or of finding an "outlet" for "surplus" goods and funds in what is euphemistically known as "foreign trade." It is only a euphemism. To an amazing degree these foreign shipments and investments have been gifts. James Mill described the system by a word with which we are now quite familiar "relief"; but it would be more accurate to describe it as a vast Public Works Administration in foreign ports. Nevertheless we cling to the euphemism, as indeed we must. For the banks which float the foreign bond issues by which the export of our goods to foreign parts is to be financed do not and cannot represent them to their prospective customers as philanthropic contributions. The customers are presumably investors, and so when payments are defaulted the marines must be sent out to attach the customs receipts of our debtors and battleships to repel the efforts of competing capitalist powers to do the same for their investors. If surplus goods and funds could be taken out into the ocean and frankly dumped, war would be avoided. But this would be a fundamental change in the system of distribution of goods and funds and so the very thing we have been seeking to avoid.

Perhaps it would be an exaggeration to declare that chronic over-production of goods and over-accumulation of funds is now generally recognized as a fact. Although some writers of recognized importance, such as Malthus, have seen the danger all along, most economists have failed to see it until quite recently; and

even today there are violent differences of opinion with regard to terminology. Many would insist that the condition which I have called over-accumulation of funds should be referred to a deficiency of investment opportunities. Others would insist that there can be no such thing as overproduction and that the condition so designated is in fact not overproduction of goods but under-distribution of consumer purchasing power. And these differences, of course, reflect different conceptions of the basic condition. But nobody denies that we still have so-called surplus wheat and cotton stored in warehouses, or that bank reserves—that is, funds available for investment but not in fact invested—have been fantastically high for a number of years. The Brookings study of *America's Capacity to Produce* gave substantial evidence that even in 1929 our production of goods was about twenty per cent short of capacity. This figure has been criticized. Some insist that the discrepancy was far greater, others that the Brookings estimate was too high. But so far as I know responsible economists do not deny the fact of a discrepancy.

This means that we do now recognize this fact as the index to the changewhich must somehow be effected if the economic cause of the present world struggle is to be removed. We know that nations do not gain any general economic advantage from war. We know that special interests do, and they may therefore be contributory causes of war though the limitation of their interests also limits their effectiveness as casual agents. Moreover we know that throughout modern times the real object for which wars have been fought has been markets, and we know that the industrial powers have been forced into a struggle for markets by an apparent excess productive capacity accompanied by an excess of capital funds. We now quite generally recognize that it is this condition—call it what you will—that must somehow be changed if the economic cause of the present series of wars is to be removed. No outcome, no treaty, no world covenant however grandiose its language, which fails to modify this basic condition will be of the slightest effect in preventing the continuance of these wars—let alone future struggles of a character as yet unknown to us.

This basic failure of the competitive system may be conceived in two ways. Either we have been insufficiently competitive, or

we expected too much of competition. The first is of course the conventional view. If it is assumed that under free competition prices and costs reach an equilibrium in which all things work together for good, "satisfactions" are maximized, and the "factors of production" are employed in just the right proportions, and if it is agreed that the present state of affairs is not altogether perfect, then it must be that free competition does not prevail; and since we know that such is indeed the case, it is still possible for economists whose minds are cast in the classic mold to argue that what the present situation calls for is the "restoration" of competition. If industry produces more than can be sold at prevailing prices, perhaps prevailing prices are too high. This means that competition is not sufficiently brisk to bring prices down to the point at which production and consumption balance.

In justice to this way of thinking it must be admitted that it is the source of the proposals to eliminate the economic causes of international disorder by removing trade barriers, and that the program of which these proposals are a part does go much farther than mere economic disarmament and includes the removal of barriers to competition throughout the economy. As part of a general program of restoration of competition, internal as well as external, such proposals obviously merit serious consideration. If competitive equilibrium has the significance which it has received in the classical literature of political economy, and if it is still actually attainable, then of course there is something to be said for trying to attain it.

But does competition indeed possess the marvelous efficacy which the classical economists imputed to it? Many students of economics—and the number is constantly growing—seriously doubt this fundamental axiom of the classical way of thinking. Their doubt is based on three conspicuous defects of the philosophy of competition. One is indicated by the amazing spectacle of monopoly, or at least combination, in the modern industrial world. The founders of classical political economy thought of competition as an almost irresistible force, emanating from human nature itself, which could be curbed only by quite unnatural restraints. They completely failed to appreciate the trend toward bigness which is implicit in machine technology. Large scale organization has been

forced upon us not because men have lost their vision of "the good," but because techniques of mass production and techniques of mass organization have made consolidation of the control of industry quite inevitable.

A second defect lies in the very equilibrium which free competition was once conceived to bring about. The proponents of conventional theory have themselves destroyed this whole idea by their theories of imperfect, or monopolistic, competition. It now appears that equilibrium is only the price situation which happens to obtain, whatever the degree of competition or lack of it. Apparently the whole conception of equilibrium as the point at which all things work together for good has disappeared even from the thinking of the proponents of competition. But in that case what is the significance of competition? On the showing of its advocates, it has none.

A third defect, and the most important of all, lies in the classical misconception of the role of funds in our economy—that is to say, the concept of capital itself. The very essence of the classical notion of equilibrium was the supposed balance between consumption and saving. In effect classical political economy justified economic inequality on the ground that industrial progress is contingent upon the accumulation of funds, and the accumulation of funds is contingent upon inequalities of income. It was in adjusting the precise degree of inequality—the exact point at which present well-being and future progress would be in perfect balance—that competitive equilibrium was conceived to perform its greatest service. The whole scheme turns on the belief that nothing can be done without an "advance" of funds. If anyone is inclined to doubt the power of ideas, let him reflect on this one! For it is pure myth.

One lesson a great many students of economics—not all, alas, but a great many—have learned from the present war is the insignificance of funds. A decade ago it was often argued that neither Germany nor Japan could fight a major war because they were both "bankrupt." They had no gold reserves; their currencies were depreciated; their national debts were top-heavy; and hence they had no funds to pay for a major war. We have been forced to revise this notion. Apparently a people with an indus-

trial war machine can go ahead with a war anyhow. They will of course have to break the rules of bookkeeping. But is that all we mean when we say that nothing can be done without an advance of funds? Is this inexorable law merely a rule of capitalist bookkeeping? Apparently it is. Many economists still hesitate to apply this discovery to the realm of private finance, but the faith of many more in the sacred rules of capitalist bookkeeping has been sadly shaken. They are beginning to see what a few economists, led by Thorstein Veblen, have been pointing out for years, that the disposition of funds is the disposition of power. It is power which men of wealth achieve by the accumulation of funds. This power is also largely exercised by banks through their privilege of creating funds, and that is why banks occupy a position of strategic importance in the control of the industrial economy; but in this matter as in others the supreme power is the power of the state which exercises supreme control over the whole system of national bookkeeping.

According to this way of thinking what is wrong with our economy is its system of bookkeeping. We have all along confused industrial productiveness with the accumulation of financial power. Under the illusion that power is wealth we have countenanced economic inequality and a system of fund accumulation which has deprived the community of its power to buy the product of our own industry. Funds have indeed accumulated in the hands of men of wealth who have indeed used their power to expand industry in the simple-minded belief that they would thereby still further increase their fortunes. And so industrial capacity has expanded still further beyond the power of the community to absorb its product; unsold goods have accumulated; expansion has stopped and restriction of production has set in; and further accumulations of funds have piled up for which, with delicate euphemism, we say investment opportunities are lacking.

This is the congestion for which relief is sought in foreign markets. But wherever the capitalist system of bookkeeping prevails the same congestion is seeking the same relief. Throughout modern times war has been the eventual result.

We may not be able to prevent all war. Who knows what social disharmonies the future may reveal? But we do know what is

the cause of the present struggle, and we can remove it. To be sure, this will involve change. It is the system of community bookkeeping that will have to be changed. But the change need not be cataclysmic. We have discovered that heaven is not altogether responsible for marital disharmony, but that has not obliged us to root out marriage from our social system. Marriages continue as before and relief is sought in divorce. What capitalism requires is not exirpation but divorce—some mechanism by which the over-accumulation of funds can be checked and the flow to consumer purchasing power increased so that we shall use our funds and consume our products in our own community and no longer require to "export or die."

This can be done without the liquidation of existing institutions and without recourse to the dubious metaphysics of price equilibrium by use of long familiar and well-tried devices perfectly contrived for performing these specific services: direct progressive taxation of incomes and estates, and social security. The difficulty is not one of devices. Hitherto we have used these instruments tentatively and with great hesitation not because we have not known how to make them more effective but because we have feared to do so. We still think of taxation primarily in terms of revenue and have employed progressive income taxation on moral grounds alone, as a concession to the principle of ability to pay. But we have shrunk from the reduction of saving which must inevitably result from this procedure and so have compromised between our social conscience and capitalist mythology by levying high rates but providing wide avenues by which the largest accumulations of funds may escape. And in the same fashion we have been forced by conscience to make some provision for the unfortunate, but we have shrunk from the inevitable expansion of consumption which results from this procedure; and so we have compromised again by tempering mercy with a determination to keep consumption just as small as possible.

These are matters of domestic policy, and as such they are beyond the jurisdiction of international congresses and the competence of peace treaties. But this means greater, not less, accessibility. No nation needs to wait for joint action by other nations in order to remove from its own economy the fundamental

economic cause of its own involvement in international disorder. Such action is at all times within its own immediate competence not only without prejudice to its future trade with other nations but to its unqualified advantage. As J. M. Keynes has said,

... if nations can learn to provide themselves with full employment by their domestic policy ... there need be no important economic forces calculated to set the interest of one country against that of its neighbors ... International trade would cease to be what it is, namely, a desperate expedient to maintain employment at home by forcing sales on foreign markets and restricting purchases, which, if successful, will merely shift the problem of unemployment to the neighbor which is worsted in the struggle, and would become a willing and unimpeded exchange of goods and services in conditions of mutual advantage.

The problem is not one of devices. What we have to do, as Mr. Keynes puts it, is to learn, or rather to make up our minds to act on what we have already learned. Do we really intend to retain under-consumption, overproduction, and war? Or shall we remove the economic drive to war by relieving the tension of which war is the result? If this is our intention, we have only to use the income tax not short of a reduction of saving but as a deliberate check on over-accumulation, and social security not short of adequate consumption but as a deliberate stimulus to consumption.

The essential condition of a lasting peace is that we make up our minds.

Book Reviews

EDITED BY O. DOUGLAS WEEKS
The University of Texas

Brady, Robert A., *Business as a System of Power*. (New York: Columbia University Press, 1943, pp. xviii, 320.)

Professor Brady postulates that big business in America and Great Britain is developing the same social, economic, and political structure, habits, attitudes, and ideas as we find in totalitarian nations. He states in conclusion that "nothing fundamental in history, program, structure of organization, or social outlook divides clearly the policies of the *Spitzenverbände* within the 'totalitarian' countries from those of the liberal-capitalistic states." Here he says is convincing evidence that big business has already led us to the threshold of totalitarianism. The author develops this argument in three parts. Parts I and II are historical and descriptive; Part III is comparison, interpretation, and prediction.

Part I describes the evolution of peak associations in the "Totalitarian bloc," including Germany, Italy, Japan and Vichy France. In each of these countries powerful cartel-like institutions had presided over social, economic, and political policies for a decade or more before totalitarianism. Now these institutions, structure and all, are blended into corporative states and comprise the backbone of totalitarian ideology. In Germany the National Federation of German Industry, in Italy the General Confederation of Italian Industries, in Japan the Nippon Kogyo Club and in France the Confederation generale de la Production Francaise (CGPF) were the pre-totalitarian policy-making bodies of big business that were assimilated by the corporative states—"something from which they could derive great advantages to themselves."

Part II describes the structure and policies of peak associations in two liberal-capitalistic nations—Great Britain and the United States. The Federation of British Industries (FBI) and the National Association of Manufacturers (NAM) have become the spearheads of big business and the conveyors of authoritarianism. Corporate hierarchies have gradually penetrated the structure of peak associations and relayed to them their miniature dictatorships. Peak associations have assimilated the power-machinery of private corporations and have expanded their hierarchies, retaining themselves the undemocratic corporate power plan in which control continues to emanate from above. Anti-labor policies of American business found expression through the N.A.M. at the turn of the century in the popular doctrine of Parryism. Since 1903 American

industry has combatted the labor movement with an elaborate propaganda machine, advocating the "Open Shop" and the "American Plan." Another popular proposal of American business is the "self-management" or "self-government" principle. This principle was applied with government sanction, much to the satisfaction of big business, during the N.R.A.

Part III emphasizes the similarity between totalitarian and liberal-capitalistic peak associations (especially the N.A.M.) It becomes more and more apparent that the N.A.M. is a reservoir of social, economic, and political power policies of big business. Industry assumes the role of benevolent despot, promoting, through association propaganda, the fundamental doctrine of harmony among economic classes, especially between capital and labor. Class conflict is not a normal process and must be beaten down wherever it raises its ugly head. But instead of turning to open combat, American business has supplied extensive "educational" data advertised by slogans such as "Prosperity Dwells Where Harmony Reigns." This is the popular appeal of "compactly organized" business and is directed toward the middle classes in the community. This is also the appeal of big business in totalitarian Europe and Asia. Organized efforts of American industry have also succeeded, as they have in Italy, Germany, and Japan, in wringing special legislative concessions from our solons. Most effective is protective legislation directed against the "outsider" both at home and abroad. This protection takes the form of tariffs, subsidies, and fair trade practice laws. At the same time the N.A.M. and the F.B.I. have successfully solicited government support in their nationalistic "Buy American" and "Buy British" programs. These appeals to the consuming public, says Brady, are "just as clearly 'autarchic' sentiments as anything the Nazi have devised."

Brady is convinced that he sees the handwriting on the wall, and he aspires to awaken the reader to the fact that big business is subtly replacing the principles of democracy with the principles of authoritarianism. Democracy is slipping away gradually, as it did in Europe immediately before the *coup*, but there the lesson was learned too late. "Is it possible," he asks, "that the lesson will be learned elsewhere before it is too late?"

The author should be commended for his clear-cut descriptions, good choice of words, and for an excellent job of correlating the general functions of peak associations throughout the civilized world. In the opinion of the reviewer, however, the author is guilty of two faulty deductions and two omissions. First, he explains the origin of totalitarianism in terms of big business. Causation is implied in correlations between pre-fascist peak associations and present-day fascism. Correlation seems to be confused with causation; "the symptom is confused with the disease." Throughout there seems to be a desire to make the policies of peak associations count for more than they are worth. Big business rode in on

the Nazi band-wagon because this offered more than communism, not because Nazism was a glorified chamber of commerce. So did the middle classes ride in on the band-wagon for practically the same reason. For that matter, it is simple enough to illustrate that dictatorship recruits from every class, even the proletariat. It is futile, however, to imply that fascism is the mouthpiece of any established class merely because the policies of that class correlate with the policies of the corporative state. Secondly, the author states that the close correlation between business policies here and abroad is evidence that big business is laying the foundation for American fascism. It is impossible to accept this argument since it stems from the unverified assumption that fascism is merely the mouthpiece of big business. Furthermore, this argument could not be accepted even though the first assumption were granted for obviously the author, in order to simplify the problem, has assumed that all cultural differences between the democracies and the totalitarian nations are insignificant. Third, this analysis ignores completely the military ideology of fascism. No effort is made to correlate the military attitudes of fascist peak associations with the attitudes of the party. Nor is there any effort to present the attitude of American business on the same issue. An omission of this kind is serious since the ideology of military aggression distinguishes fascism more than either the social, economic, or political ideology. Finally, the reviewer believes that the last chapter of the book has been omitted, namely the constructive portion of his analysis in which he should offer some sort of positive program as a counteraction to the situation which in his opinion is unmistakably before us.

The University of Texas

LOUIS K. BRANDT

Davis, Hugh O., *America's Trade Equality Policy*. (Washington: American Council of Public Affairs, 1942, pp. x., 137.)

Commodity and service exchanges between nations usually lead to commercial treaties, which in turn may vary within a range whose extremes would include highly restrictive unilateral and bilateral agreements at one end and unconditional multilateral provisions at the other. In the present work, an examination is made of the application of the "most favored nation" principle to the commercial treaties of the United States. The author sets out by analyzing the content of the principle, and observes that it can have varying degrees of conditionality, which affect the extent to which it approximates in practice the objective of multilateral trade. An historical review of American trade policy as it is embodied in commercial treaties reveals that from the Revolution to the Civil War we had established rather firmly the principle of non-discriminatory treatment of nations with whom we had agreements, although trade itself was not free. The author attributes the resulting "American system of trade" to our individualistic *mores*, our geographic

isolation, and our need of manufactured imports. No emphasis is laid, however, upon the continuing division between mercantile-manufacturing and agrarian interests, though this conflict had fundamental import for trade policy to the outbreak of the Civil War. The author observes that from 1860 to 1890 we built up a protectionist policy, but discriminatory treatment between nations was still limited in occurrence. After 1890, the most-favored-nation clause ceased, he concludes, to stimulate our commodity and service turnover, though non-discrimination continued to be adhered to firmly.

The Hull trade agreements thus have ample foundation in a long tradition of American commercial policy relating to other nations. In fact, they were fully encompassed in the position of the Harding Administration in 1923. The whole point of view is explicit in President Washington's Farewell Address, in which he urged us "neither to seek nor to grant special favors, but by fair and just methods to promote trade through equality of treatment." The author takes this to be the goal of the Hull trade agreements program, and feels that it "promises much for the future" if the war should end in a return to such international relations. The recovery of American foreign trade to 1939 is then credited, without reservation, to the trade agreements program, and also, *per contra*, to our willingness to practice frankly exceptions to the most-favored-nation clause.

Perhaps because this study is as much an exercise in the review of legal documents and concepts as an investigation of foreign trade policy, it is restricted in scope and limited in analytical value. Thus the trade agreements policy, which has survived at least three distinct periods of marked protectionism without significant alteration of the most-favored-nation principle, is taken by the author to be a stimulator of foreign trade, though without economic analysis to support such a conclusion. In particular, the Hull agreements from 1933 to 1939 are whole-heartedly accepted as having promoted the recovery of American foreign trade during these years, though no evidence is cited to demonstrate such an inference. Clearly, protectionism and non-discriminatory treatment of nations with which we have trade are not incompatible practices, though the effects of the former are hardly offset by the verbal affirmations of the latter. Moreover, one is inclined to wonder whether the Hull agreements actually did have much quantitative effect upon our turnover and foreign balance. One test would be a survey of the relation of the production of protected industries to competitive imports; another would be the ratio of competitive imports to gross national product. At all odds, until some studies are made, it cannot be contended that the program of the Roosevelt Administration was solely responsible for the recovery of our foreign trade.

This raises the question of the *historical*, as distinguished from the

theoretical, validity of both the principles of non-discrimination between nations and of multilateral trade. Both principles were advocated as practical expedients from 1933 to 1939 by the Secretary of State, at a time when autarchy and the gathering forces in the fascist struggle to redivide the world into new empires were the dominant trends. As policy recommendations, they assumed strategic factors in the historical situation for which there was no justification—namely, that if the “erring” powers would only see the “light”, the direction of the historical forces at work could be completely reversed, despite the record since 1914. Fundamentally, such a position is completely non-historical, and rests upon the false premise that the international economic policies of the industrial powers are independent of the economic drives which are *internal* for the nations involved. To assume that one can reconstitute a by-gone competitive world by preaching alterations in foreign policy, while ignoring the causal factors which operate from within to produce that policy, is to construct an argument which may be theoretically intriguing but contemporarily irrelevant. Thus in accepting the *laissez-faire* idea-system, which is the underpinning of the “equality of nations” (which certainly should be distinguished from “equality of men”) and the free trade principles, as a workable basis of post-war economic reconstruction *given the present institutional structure of the economies involved*, Dr. Davis has managed to draw a conclusion of truly heroic magnitude.

The University of Texas

GEORGE H. HILDEBRAND, JR.

White, Langdon C., and Foscue, Edwin J., *Regional Geography of Anglo-America*. (New York: Prentice-Hall Inc., 1943, pp. xiv, 898.)

As its title indicates, this book is a regional study of the geography of the United States, Canada, Alaska, and Newfoundland. It treats all of North America except the southern fringe which is inhabited by Spanish speaking peoples. The book is intended for use as a text in colleges and universities which offer separate courses on the geography of North America and on Latin America, the study of Mexico, Central America, and the West Indies being grouped naturally with that of South American countries in the latter course.

The northern or Anglo-Saxon portion of the New World is divided into twenty geographical or human use regions, and one chapter is devoted to the description and interpretation of each of them. There are also three introductory chapters and a concluding one. The more complex regions, notably those named the Appalachian Uplands and the American Manufacturing Belt, are divided into subregions, each of which receives specific treatment. Thus the authors are able to include much useful detail that would otherwise have to be omitted. This also enables them to avoid the danger of over-generalization which is perhaps inherent in

the regional method.

There is a general map of North America on page 48 which shows the location and extent of the various regions, and a larger scale map of each region is found at the beginning of the chapter devoted to its study. The list of topics discussed varies with the region under consideration, but in general it includes surface features, soils, climate, natural vegetation, settlement, sequent occupation, population, the various agricultural, manufacturing, and mining industries, forestry, transportation, cities, recreation, and future outlook. It seems that every important feature of each region is discussed.

As a book *Regional Geography of Anglo-America* has several notable features. Its relatively large clear type facilitates reading, while topics and subtopics stand out boldly to the advantage of both students and instructors. Space is rather carefully proportioned among regions so that no one or a few of them receive undue prominence. Illustrations are varied and abundant, and in general they are large, clear, and well chosen to supplement the text. An unusual amount of space is devoted to the discussion of cities—every important center in each region receiving individual treatment.

Regional Geography of Anglo-America is not just another book on the geography of North America. It contains a great deal of new material not found in the older textbooks, much of it supplied by the authors and much obtained from the publications of other geographers. The authors and publishers are to be complimented upon the production at this time of such a well-written and attractive book—one that is thoroughly geographic, containing no lengthy digressions into related fields. As a book for reference and general reading it merits a place in the library of every college and university, and will do excellent service as a textbook in many of our college courses on the Geography of North America.

Stephen F. Austin State Teachers College WILLIAM T. CHAMBERS

Hesseltine, William B., *The South in American History*. (New York: Prentice-Hall, Inc., 1943, pp. xiv, 691.)

In 1936 Professor Hesseltine pioneered in textbook writing in the field of Southern history and brought out his *History of the South*. That work had both the merits and demerits of trail-blazing. It trod roads which by their newness recommended themselves both to the writer and the reader alike, but though their directions seemed to most readers to be true to the compass, there were a good many crooks and turns which were later to be pointed out as false. The author, being impressed by these criticisms, proceeded to revise it and bring it down to date. He

has not only made changes and added to its content but he has amended its title to *The South in American History*, given it a brand-new dress and format, and interspersed through the text at least fifty photographs and maps. The result is a book much more attractive than his former work. A map of the South for general reference would have added still more to the worth of this book.

Professor Hesseltine has left unchanged few chapters in his old *History of the South*. He has added introductory paragraphs, revised sentence structures to add vividness and clarity, broken up an old chapter here and there and expanded it into two, and he has added a few chapters, especially at the end. He has not, however, changed his point of view. Very correctly he has not attempted to write either from a Southern or a Northern standpoint; instead he has successfully maintained an unbiased attitude. He holds that the South after all is American and that its history is merely a special reflection of the national picture. The only weakness in this point of view is the failure to recognize and present more clearly a Southern individuality and separateness, which existed even if the South was a part of the national whole.

The South in American History is still not free from inexact and erroneous statements and rather cumbersome paragraphs, though the general interpretations are excellent. A few examples of defects may be noted in Chapter XX, which deals with the Civil War. The first act of the Confederate Congress did not provide that all laws of the United States should be continued in the Confederacy (p. 412), but only those "not inconsistent with the Constitution of the Confederate States"; the second act did not continue in office in the Confederacy all Federal officials (p. 412), but only the customs officials; Grant did not move his gunboats from Fort Henry on the Tennessee River to the *Tennessee* but to the Cumberland (p. 415); the conquest of the Atlantic coast was not completed in early 1862 (p. 418); Fort Jackson and Fort St. Philip were not at the mouth of the Mississippi River (p. 419); after the fall of New Orleans, instead of only Vicksburg remaining as a link to hold the Confederacy together (p. 419) there was Port Hudson, which did not fall until after Vicksburg the following year; the word "contraband" as applied to fugitive slaves was not contributed to the war vocabulary by Butler but by Blair (p. 419), Butler popularized it; how can the statement that the Richmond *Examiner* criticized Davis at "every step" (p. 421) be reconciled with the statement a few lines farther on that there was "a strict censorship of the press"?—there are many other inexact or erroneous expressions of this nature. Most of these examples do not represent serious mistakes but they do show that there is still further room for revision. Nevertheless, as a treatment of the South from Jamestown to Pearl Harbor, this book deserves wide usage in the class-

room as well as persual by the generality of discriminating readers.

The University of Texas.

E. M. COULTER

Mackinder, Sir Halford J., *Democratic Ideals and Reality; a Study in the Politics of Reconstruction*. (New York: Henry Holt and Company, 1942, pp. xxvi, 208.)

At rare intervals a book that expounds a few simple but mighty truths is written and published, a book which belongs on the "must" list of every enlightened world citizen. The reviewer of such a volume should have but one objective: to point out in forceful language that the book is essential to an understanding of large and lasting truths and thereby create in the mind of the reader a desire to read it for himself. He should not venture a synopsis for fear that the reader will substitute the review for the book. Such a volume is Mackinder's *Democratic Ideals and Reality*.

Democratic Ideals and Reality was first published in 1919. It is an elaboration of a paper entitled "The Geographical Pivot of History" which Mackinder read before the Royal Geographical Society in 1904. The fact that it has recently been reissued suggests something of its essential quality. The publishers are to be congratulated for reviving this work.

As a further indication of the importance of this book, it must be pointed out that Mackinder's work provides the foundation for a considerable part of the new German "super-science" of Geopolitics. General Haushofer and his ilk have adopted Mackinder's ideas as their own, perverted them to their own uses; and therein lies the reason for the basic soundness of much of Germany's current political thought. While Allied statesmen have not overlooked Mackinder's "realities", it would be no exaggeration to say that the only nation which clearly saw Mackinder's truths and made use of them in its political and strategic planning was Germany.

Suggestive of the content of the book are the following captions: "The Economic Reality of the Going Concern"; "The Unity of the Ocean"; "The World-Island"; "The Heartland"; "The Ultimate Citadel of Land-Power"; "The Ultimate Base of Sea-Power"; and "The Fundamental Opposition of East and West Europe". Mackinder traces the conflict between sea-power and land-power from the time of Egyptian supremacy to the close of World War I, and, while more than twenty years have elapsed since the book was first published, it is made abundantly clear to the reader that the present war is in large measure a continuation of that conflict. These words of warning are as timely now as they ever were:

"Who rules East Europe commands the Heartland:
Who rules the Heartland commands the World-Island:
Who rules the World-Island commands the World."

The 1942 edition contains an introduction by Edward Mead Earle and a foreword by Major George Fielding Eliot.

The University of Oklahoma

ALLEN BELDEN

Weigert, Hans W., *Generals and Geographers; the Twilight of Geopolitics*. (New York: Oxford University Press, 1942, pp. x, 273.)

The word "geopolitics" is a new one to English-speaking peoples, and, as might be expected of a new word introduced at the proper psychological moment, it has come into wide-spread usage by people who do not know the background or the nature of the thing for which it stands. In *Generals and Geographers* Hans W. Weigert does a fine job of tracing the origins and of analyzing the content and status of the new "super-science", not only in Germany but in the world at large. This book explodes many popular fallacies prevailing in America concerning geopolitics, and in doing so it—"debunks" is not the word—strips it of those embellishments of mysticism which have helped to give it its tremendous appeal.

German geopolitics has grown out of the works of such geographers as Friedrich Ratzel, Sir Halford Mackinder and others who wrote either before or shortly after World War I. This gives it a solid foundation and does much to make of it a movement that must not be taken lightly, much as we may disapprove of the motives of those who foster it and are activated by it. In the hands of General Haushofer, instrumented by his *Journal of Geopolitics*, the movement has become a potent political force centered in and emanating from Nazi Germany.

Geopolitics is "neither fish, nor flesh, nor good red herring." It is neither geography nor political geography. It might be called applied geography inasmuch as it is politics based largely upon geographical facts, such as spaces, distances, and patterns of distribution. But there is no limit to the categories of facts employed in geopolitics. Psychological, sociological, historical, political, and economic facts are utilized. In short, while it is at best a "pseudo-science," it is a potent force in the possession of any nation which has the strength and the necessary lack of scruples to apply its teachings. Weigert exposes the most glaring defect of geopolitics when he says: "Haushoferism boils down to a natural science of power politics and power strategy in which the human being in his pursuit of happiness is non-existent. In many thousands of pages . . . written with all the skill acquired by a geographical and strategic training, reverence for the dignity of human life never appears—not even between the lines."

From the standpoint of area, the book deals almost exclusively with those parts of the world toward which German geopolitics has so far been directed, particularly Eurasia. However, there is one chapter entitled "America, 'the Satellite'." The book is concerned specifically with the nature of geopolitics and only incidentally with the regional applications of geopolitics. It is certainly not the intention of the author that *Generals and Geographers* should be substituted on reading lists for the basic works from which its content is derived.

The University of Oklahoma

ALLEN BELDEN

Baum, Robert D., *The Federal Power Commission and State Utility Regulation*. (Washington: American Council on Public Affairs, 1942, pp. xi, 301.)

This is a study of the administrative and jurisdictional relations of the Federal Power Commission with the states for the purposes of examining the pattern of contacts and determining the extent to which federal and state regulatory bodies have been aided or hindered by such relations. The earlier experience under the Federal Water Power Act of 1920 which regarded "intergovernmental relations as incidental and occasional" is contrasted with the more recent program, based principally upon the Power Act of 1935 and the Natural Gas and Flood Control Acts of 1938, which "envisaged Federal and state regulation as essentially collaborative." Throughout, the role of the National Association of Railroad and Utilities Commissioners is noted.

Jurisdictional disputes, arising in part from the federalism of our American constitutional system and in part from some vagueness in Congressional legislation, are examined as are other factors—historical, economic, political, and personal—which condition intergovernmental relations. Against this background is detailed federal-state collaboration in the control of water power, accounting, rates, and intercorporate relations.

Federal and state commissions, after prescribing separate systems of accounts, are found to have agreed, since 1936, upon much closer collaboration on accounting practices and report forms. Moreover, the "Federal Commission has worked closely with the states in its original cost investigations, joint hearings, special investigations to assist state regulation, compilation and publication of useful data, loan of experts, exchange of information, and other types of more informal contacts." Since 1935 the Commission has been of considerable aid to the states in rate making and "in its own rate decisions . . . as well as before the Supreme Court in briefs *amicus curiae*, the Commission has fought for the prudent investment rate base and the clear-cut rejection of reproduction cost" with some indication in dictum that the Court is inclined to

look favorably upon this approach. The publications of the Commission "despite adverse criticism from some states, have stimulated rate reductions and have furthered a tendency toward increased rate uniformity throughout the nation," and its statistics "are helping to create standards whereby company efficiency may be judged." With one outstanding exception, the Commission's control of the interconnection of electric facilities and interchange of energy has been exercised without serious conflict with the states. Federal-state conflict has been slight, also, in regulating mergers and disposition of property in spite of the overlapping character of such control. The limited power of the Commission to regulate securities has produced no "significant" problem of conflict.

The author concludes "that the Federal Power Commission throughout its history has developed and followed with a reasonable degree of success an extensive procedure of collaboration with the states," although there are some instances of conflict. He is inclined to place the blame for lack of more effective cooperation upon the state commissions, noting that they "seem to vary considerably in their attitude toward joint action and in general are not as prone to work with the Federal Commission as is that body with them," although he admits that in giving primary attention to the Federal Commission there is a "tendency to see intergovernmental relations more through Federal than local eyes." Direct contact was made with only three state commissions, but a questionnaire was sent to all of them and replies were received from twenty. It may be that more extensive probing from the position of individual states is needed before accepting all of the author's conclusions; however, they seem well founded on the basis of the data at hand and within the limitations which are recognized in the study.

The University of Texas

HOWARD A. CALKINS

Parker, Robert S., *Public Service Recruitment in Australia*. (Melbourne: Melbourne University Press, 1942, pp. 296.)

In this highly factual study of public service recruitment in Australia, the author—a university teacher and former public servant—seeks to discover, explain, and assess the principles and standards of Australian recruitment technique. The first two parts of his three-part book are almost purely descriptive analyses of the recruitment process, the first dealing with its evolution and the second with a delineation of its present status in the services of the Commonwealth and of the six Australian states. The third part consists of an appraisal of Australian recruitment methods, with general suggestions for reform.

The battle for a sound recruitment framework in Australia, according to the author, has long been won. "The principles of independent control, open competition, co-ordination with the educational system, recruitment

by examination, and appointment subject to probation are firmly established." But, having established the framework for sound recruitment, Australia has been content to leave it a framework. She has been so smugly satisfied with her virtuous aura of recruitment by examination and promotion by merit that she has done little to reform and improve her technique.

Mr. Parker devotes one of his chapters to a proposal for the creation in Australia of an "administrative cadre" which, he insists, is "the fundamental need of the Australian public services." The members of this cadre would be "protected from the stultifying effects of inappropriate work." Their ranks would be "open to, and attractive of, the best available potential administrative talent from inside and, to a limited extent, from outside the service." Mr. Parker thus tries to drive home to his Australian audience the fact of administrative work as a specialty distinguished from general or higher clerical work:

The book is plagued by a cumbersome style, by undue repetition, by excessive wordiness, and by occasional inconsistencies. It is not a book to be compared in quality with the Civil Service Assembly's recent treatise on recruitment practices in the United States. As the first definitive treatise on the subject of public service recruitment in Australia, however, it represents an important contribution to the literature of public personnel administration.

University of Virginia

GEORGE A. WARP

Debo, Angie, *The Road to Disappearance*. (Norman: University of Oklahoma Press, 1941, pp. xi, 399.)

The Road to Disappearance, the twenty-second volume in the University of Oklahoma Press Civilization of the American Indian Series, is a history of the Creek Indians from the time of their first contact with white men until the tribe was liquidated at the close of the nineteenth century.

The story of these people does not make pleasant reading. Occasional periods of improvement in their lot were punctuated by misfortunes and calamities that always left them poorer and unhappier. During the Anglo-American colonial era the home of the Creeks was in the present Georgia and Alabama. James Adair, a contemporary authority, said in 1770 that the Creeks were unquestionably the most powerful Indian nation known to the English. They made their first land cession in 1772; in a treaty with the United States in 1790 they surrendered their independence; in 1792 they accepted their first dole from the United States; and after the terrible Red Stick War (1812-1814) they were forced to make a ruinous land cession. Removal to new lands in the present Oklahoma during the 1830's cost them an estimated eight or

nine thousand lives out of a total population of 21,792.

After they had become rooted in the soil of the West the Creeks made some progress. They were superb diplomats and maintained friendly relations with all their Indian neighbors. They adopted a written constitution in 1858 or 1859 and framed workable criminal and civil codes. They were soon divided, however, by the Civil War and buffeted by both the North and the South. This was a white man's conflict in which the Indians were largely the victims of circumstance; but by the terms of the post-war treaty the Creeks were forced to sign, they were punished as if the war had been a thing of their own making.

During the last third of the nineteenth century the Creeks were vexed by feuds, by their own ignorance of the white man's ways, and by swarms of petty criminals. It called for greater and greater effort to maintain the Indian state against the machinations of boosters, promoters of railroads, and other designing persons who urged that the country be opened to settlement by white men. The Creeks succeeded, nevertheless, in maintaining a modicum of law and order. Their school system must have been creditable, for early in the twentieth century it was estimated that ninety per cent of the full bloods could read their own language. In public finance they were notoriously unsuccessful. Before their state was brought to an end they had frittered away many thousand dollars of tribal money in the payment of claims of questionable validity.

In *The Road to Disappearance* Dr. Debo has maintained the high standard of scholarship which she set in her preceding studies on Indians. Her bibliography seems to be exhaustive and she has used it effectively. Her history of the Creeks is a definitive one.

Hardin-Simmons University

RUPERT N. RICHARDSON

Johnson, Henry, *The Other Side of Main Street. A History Teacher From Sauk Centre*. (New York, Columbia University Press, 1943, pp. 257.)

This very interesting little book has two excellent reasons for having been written. The first is quite adequately stated by the publishers when they write that "The author calls this book a bit of autobiography, but it is much more than that. It is, quite literally, the 'other side of Main Street', for Henry Johnson grew up in Sauk Centre, Minnesota—Sinclair Lewis' model for Gopher Prairie—and both indirectly and by implication the story of his life is living and lively proof that Lewis painted a one-sided picture of Main Street, U.S.A." As one who has long believed that Lewis' writings told the reader much more about Lewis than about the subjects of his books, this reviewer is inclined to agree with this judgment. If a reasonably accurate picture of Main Street is desired, Johnson is to be preferred to Lewis.

However, the book is even more important as a contribution to the literature on assimilation. The author was born in Sweden, but was so young when his parents migrated to Minnesota that his earliest memories are of that state. Nevertheless, his life-story is an objectification of a process of assimilation which begins with his first day in school—when the teacher somewhat arbitrarily changed his name from Henrik Jonson to Henry Johnson—and closes with his retirement from the faculty of Teachers College of Columbia University. The intervening pages are packed with an interesting account of the events of a full life, a life which “exemplifies the story of rural, small town America, and the thousands of hard-working, sensible, unpretentious individuals who have grown up in that environment and have gone out to make their own way and own place in the world—with the aid of, not in spite of, the influences of their early life.”

The book closes with a most stimulating chapter in which Professor Johnson offers what might be called his “philosophy of the teaching of history,” the reading of which should be profitable for all teachers, though the details of the argument would certainly not be acceptable to all.

Not intended to be scholarly (and it is not), and certainly intended to be interesting (and it is), the book will make good recreational reading for anyone interested in following the development of a typical teaching career.

The University of Texas

REX D. HOPPER

Book Notes

Helen Leland Witmer's *Social Work* (New York: Farrar and Rinehart, 1942, pp. 539) is not a textbook about social work, but is, in the words of the author, the record of "the development of an idea—an idea regarding the nature and function of social work." One thing is made clear in the beginning, namely, that "social work" is not the same thing as "social welfare." The former, which is the subject matter of the book and to a discussion of which the book is confined, is used to refer to a body of professional practices that have precise boundaries, and accordingly should be examined and evaluated by the methods of research and interpretation that might be employed in the study of the nature, scope, and functions of any institution. The primary purpose of the book is to make understandable to the layman and to the beginning student the activities of social workers. To this end the author has carefully selected her materials and applied her methods of investigation and analysis. Major emphasis is placed throughout on "what social workers call direct work with clients," omitting much of the variety of activities in which so many social workers engage and think they are doing social work. Some social workers will be disappointed because the writer chose to focus attention upon social case work rather than upon other social work processes. The book is divided into three parts. The first on "The Nature and Function of Social Work" seeks to delimit the problem and to direct attention principally to the organization and functioning of the social work institution, with some incidental treatment of "the nature of social disabilities." Part II deals with "The Evolution and Present Organization of Social Work," particularly in the field of social case work. In Part II, the author undertakes to tell "How the Social Work Function is Discharged." Here the commonly met fields of social case work activity, such as family service, child welfare, medical and psychiatric services, child guidance, and other aspects, get rather extended discussion. The book is to be recommended to the person, lay or professional, who is interested in learning about the field of social work, narrowly defined.

W.E.G.

Stephen Wilson's *Food and Drug Regulation* (Washington: American Council on Public Affairs, 1942, pp. xi, 177.) is presented as a study of the history, causes, and consequences of food and drug control in this country. The rising demand of the public for security through regulation was promoted by industrialization, advances in chemical techniques and inadequate common law protection. The tactics employed by organized groups for a half a century to thwart and influence regulation are described in a way which gives the reader a vivid insight into a

problem more or less common to regulation of private enterprise. The numerous difficulties encountered in administration of the law are examined and appraised, and the need for further legislation is found to lie partly in administrative and legal defects and partly in changes in the nature of the industries involved. The legislation of 1938 is viewed as considerably strengthening the law, both in scope and administration. While the author proposes to investigate the consequences of these laws, he has scarcely fulfilled this hope. Although adulteration and fraud have been reduced, other broader effects are involved which he notes in a few closing pages but which he leaves without adequate examination. The study is a comprehensive, well written treatment of a highly important public problem.

J. H. C.

Mr. Robert H. Gregory's study of *Municipal Electric Utilities in Texas* (Austin: University of Texas, Bureau of Municipal Research, 1942, pp. 295) was undertaken to study the nature and practices of municipal electric utilities in the commercial service field in that state, and to portray facts as clearly and accurately as possible. The author hopes that bias and misrepresentation may be reduced to a degree which will make the study of use to city officials as well as to others. The data are drawn from thirty-one of the forty-four cities of various size operating systems in 1941. Eight chapters examine the history, legal status, management and operational results with the general conclusion that management has been honest, efficient and "surprisingly free from politics." In general, operations have in fact been profitable. Various shortcomings are observed in managerial practices and constructive suggestions offered. A concluding chapter is devoted to "Rural Electrification and Texas Power Authorities. Mr. Gregory has provided a painstaking study which should be of value to all persons interested in the power question in Texas and elsewhere.

J. H. C.

Mr. Henry B. Kline's monograph on *Freight Rates, the Interregional Tariff Issue* (Nashville: Vanderbilt University, Institute of Research and Training in the Social Sciences, 1942, pp. 48) is the third of a series of papers dealing with the contemporary South. The general thesis is that the existing regional disparity in railroad rates has created "artificial but immensely profitable trade advantages in which the defenders are deeply entrenched." Mr. Kline's purpose is to explain what the interest of the South and West is, the means of contest and problems encountered in the fight for adjustment. Recent cost studies of the Interstate Commerce Commission, if correct, are seen to remove any case for continuing differentials. An extensive analysis of the ICC study is made in an appendix. Mr. Kline writes well, and has presented his thesis effectively.

J. H. C.

REPORT ON THE *QUARTERLY*, JUNE 1942-JUNE 1943

The editor feels that this task of reporting might be delegated by asking members of the Association to read or re-read, as the case may be, pp. 74-76 of the *Quarterly* for June, 1942. The present editor can only re-emphasize certain sections of that report.

The first relates to the matter of financing (cf. *Quarterly*, Jr. 1942, p. 75)). The Social Science Club of the University of Texas, composed of members of the faculties of the social sciences in that institution, donated one hundred dollars to the support of the *Quarterly* during the current year. We can scarcely expect such a windfall again. Even if we could, expectation of uncertain assistance is highly undesirable. The Association should face squarely the issue of securing continuing support for a magazine which will creditably present the interests and accomplishments of social scientists in this area. The editor and the treasurer have been tentatively investigating probable sources of support, but no hope has up to the present moment appeared. This is a matter of vital interest to every member of the Association.

The second major matter, assuming that the first is more or less satisfactorily solved, deals with the nature and number of articles available for publication. In this connection the failure to hold an Association meeting gives an opportunity to find that we can alter the dependence upon papers read at the meeting for material for publication. It would seem to be a better policy to publish proceedings of the Association, including papers read, in a volume either additional to the present issues of the *Quarterly* or in place of the March or June issue. A knowledge that all papers presented or papers selected on the basis of comparative merit were certain of being published immediately would be an incentive to more careful preparation. It would further allow publication of articles whose timeliness is an important asset. If the backlog of articles from Association programs were not available, social scientists might feel an obligation to present their work for publication.

Further, the peculiar contribution of the *Quarterly* must be in papers presenting the results of investigation and research in the southwestern region. Such material, especially the results of field investigations, are rarely presented at Association meetings. Greater emphasis upon such activities of social scientists is highly desirable. The editor and the associate editors stand ready to assist new writers in preparing their work for publication. These remarks are not to indicate that any and all articles by social scientists or on social science subjects are not desired. But this feature must be insisted upon for, of thirty-one articles published last year, only thirteen dealt with southwestern situations. Of these, two were general discussions of the "farm problem."

Following the suggestion made by the editor in the report for last year, the section "Notes from the Southwest" will be dropped. (Je. '42, p. 75)

Due to difficulties with mail and scarcity of funds, no proofs are sent to authors. The manuscript as finally submitted is accepted as final and the editor reads proof on all articles.

Arrangements have been made with the printers of the *Quarterly* to make reprints of articles at a reasonable rate for those desiring them. Type is held for a month after publication. Rates are: 25 reprints, \$1.15 per page; 50 reprints, \$1.25 per page; 100, \$1.40 per page; 200, \$1.75 per page.

RUTH A. ALLEN
Editor